

CHILD CARE ASSISTANCE PROGRAM MANUAL
DESCRIPTION OF CHANGES ATTACHMENT
REVISED SECTIONS – ISSUED 04/2016

1.0 (Table of Contents) adds a new section, 16.24 (Override Reporting) to chapter 16.

2.0 (Glossary) updates the definition of eligible relative caregiver to include a caregiver that is a person receiving an MFIP or DWP grant that includes a child.

4.3.3.9 (MFIP Sanctions) adds a sentence to the section about non-cooperation with employment services (ES). “Child care should not be authorized for non-compliant activities while the participant is in sanction unless the job counselor specifies that the client is working towards curing the sanction and care can continue”. Replaces the word county with agency when appropriate throughout the section.

4.3.12.3 (BSF Students) deletes “If you question whether student is actually attending part-time or full time, refer to the institution for that determination.” Replaces the word county with agency when appropriate throughout the section. Updates the title of the County Child Care Fund Plan to County and Tribal Child Care Fund Plan.

4.3.12.9 (BSF Priorities) adds plain language updates throughout the section. Replaces the word county with agency when appropriate. Updates the title of the County Child Care Fund Plan to County and Tribal Child Care Fund Plan.

4.3.12.12 (BSF Waiting List) replaces the word county with agency when appropriate throughout the section. Updates the title of the County Child Care Fund Plan to County and Tribal Child Care Fund Plan.

4.12 (Date of Eligibility) adds plain language updates throughout the section. Removed provisional payments information; these are included in Chapter 2 (Glossary) and Chapter 9.3 (Payments to Providers).

5.3 (Determining the CCAP Family) plain language updates throughout the section. Adds “and are not eligible for CCAP payments” to the sentence “Foster children are not included in the foster parent’s family size.”

5.9 (CCAP Family Composition Examples) for the unmarried parent living with boyfriend example (7th example shown), replaces the word “father” with “boyfriend”. Adds the number 2 to the second care scenario in the same example.

6.0 (Income Eligibility) adds web links to the DHS forms in this section. Deletes an incorrect reference to 6.9 under “Additional information”.

6.15.9 (Annualizing income) changes “Annual expenses greater than 2% of the estimated market value on the county tax assessment form for upkeep and repairs to “Annual expenses less than or equal to 2% of the estimated market value on the county tax assessment form for upkeep and repairs. This change clarifies what is allowed as a deduction.

6.15.15 (Annualizing Lump sum Income) adds “Tracking the Lump Sum” and “MEC² does not remove the lump sum from income in eligibility when the annualization period ends. See the MEC² User Manual for instructions on how to track the expiration of the lump sum income and steps to follow when it expires.”

7.30 (School Verification –Child’s School Schedule) adds a sentence to the first paragraph , “For children attending a school without a set schedule, such as an online based school or they are being home schooled, contact your Technical Liaison to determine what type of schedule verification is required.”

8.6 (Temporary Ineligibility) replaces the word county with agency when appropriate throughout the section. Updates the title of the County Child Care Fund Plan to County and Tribal Child Care Fund Plan.

9.9 (Determination of Payment Amounts) adds plain language updates throughout the section. Adds “full-paying families for like services” to “Do not pay more than the CCAP maximum rate or the rate the provider charges to private pay families”. Changes the “Higher Rates for Quality” paragraph to add, “Higher rates for quality are not a bonus that providers can charge above their typical rates. High quality rates may allow CCAP to pay more of the rate a provider charges private, full-paying families for like services.” Under “Child Care Expenses Paid by Other Sources” adds “and the case must be suspended. If the grant is used for different child care expenses, CCAP does not need to be suspended”, to the sentence that begins with “When the family receives a Post-Secondary Child Grant that is earmarked”.

9.12 (Authorized Hours- Students) adds “See Chapter 4.3.3.21 (MFIP/DWP Authorized Activities) for information about approving education as an authorized activity for MFIP/DWP.” Removes references to authorizing care that do not pertain to authorizing hours. Approving care for authorized activities under BSF and MFIP/DWP are referenced in 4.3.12.3 and 4.3.3.21.

9.27 (Higher Rates for Quality) adds the National Lutheran School Accreditation (NLSA) to the list of approved organizations that accredit child care centers in order to be eligible for higher rates.

11.9 (Legal Nonlicensed (LNL) Providers) adds plain language updates throughout the section. Replaces the word county with agency when appropriate throughout the section. Under the paragraph “Background Study Requirements” adds “A provider who has had a negative licensing action as a licensed family child care provider is not allowed to provide legal non-licensed care to children from one unrelated family and be paid by CCAP .The licensing exemption to provide care to children from a single unrelated family does not apply to a child care provider who has had a conditional license or a sanction, or an applicant who has had a license denied.”

11.12 (Provider Registration) replaces the word “county” with “agency” when appropriate throughout the section. Adds a web link to a new form: [Minnesota Child Care Assistance Program Change Report Form \(PDF\) \(DHS-7196\)](#)

11.18 (Provider Reporting) adds: “Death of a child while in the care of the provider, to the appropriate authority. Legal nonlicensed providers and license-exempt centers must report the death to the CCAP agency. The CCAP Agency must report the death to the agency’s Technical liaison at the Department of Human Services” to the bulleted list of what providers must report to the CCAP agency immediately.

11.21 (Provider Authorization) adds plain language updates through-out the section. Replaces the word county with agency when appropriate throughout the section. Adds a web link to [CCAP Licensed Family Child Care Provider Registration and Acknowledgement \(PDF\) \(DHS-7195\)](#)

12.3.6 (Denial Notices-Family) updates the title of the County Child Care Fund Plan to County and Tribal Child Care Fund Plan.

12.3.9 (Adverse Action Notices-Family) updates the title of the County Child Care Fund Plan to County and Tribal Child Care Fund Plan.

12.3.12 (Termination Notices- Family) updates the title of the County Child Care Fund Plan to County and Tribal Child Care Fund Plan. Replaces the word county with agency when appropriate throughout the section.

14.12.6 (Disqualification for Fraud-Providers) updates the title of the County Child Care Fund Plan to County and Tribal Child Care Fund Plan. Replaces the word county with agency when appropriate throughout the section. Adds plain language updates throughout the section.

16 (Appendix) adds 16.24 (Override Reporting) to the chapter index.

16.1 (CCAP Authorization for clients with an EP) adds plain language updates, replaces the word county with agency when appropriate throughout the section. Adds a new sentence to the last bullet in the section "Monitoring and Authorizations": "Child care should not be authorized for the non-compliant activities while the participant is in sanction unless the job counselor specifies that the client is working towards curing the sanction and care can continue." is added to the sentence that begins with "Consider whether the participate is working toward curing the sanction...". Adds "MFIP and/or CCAP" to "A job counselor may determine that a participant has not been in compliance for a prior period of time with some or all of the activities identified in the Employment Plan. There should not be a CCAP overpayment due to lack of or reduced participation in the Employment Plan activities, except in cases of MFIP and/or CCAP fraud".

16.24 (Override Reporting) NEW SECTION adds information for CCAP agencies who are required by DHS to report override information to DHS each month within the state fiscal year. Read this section in its entirety. This replaces and updates information previously referenced in Bulletin # 14-68-01, Reporting on Override Use in the Child Care Assistance Program.

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GLOSSARY

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ADMINISTERING AGENCY

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

(Legal Authority: Minnesota Rules 3400.0020, Subp. 4)

ADMINISTRATIVE EXPENSES

Costs associated with the administration of direct services covered by the child care fund. These include: Salaries, wages and related payroll expenses including those for direct personnel costs, expenses for general administration and supervision, secretarial, clerical, accounting and other support services. Travel, transportation and per diem or subsistence expenses.

Materials and office supplies.

Publication, telephone, postage, and photocopy costs.

Others expenses directly attributable to the child care fund.

(Legal Authority: Minnesota Rules 3400.0020, Subp. 5)

AGE OF CHILD

Infant (see INFANT)

Preschool (see PRESCHOOL)

School Age (see SCHOOL AGE)

Toddler (See TODDLER)

ALLOCATION

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

(Legal Authority: Minnesota Rules 3400.0020, Subp. 8)

APPLICANT

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

(Legal Authority: Minnesota Statutes 119B.011, Subd.2)

AT-RISK

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

(Legal Authority: Minnesota Rules 3400.0020, Subp.9a)

AUTHORIZED PROVIDER

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

AUTHORIZED HOURS

The number of hours in a service period, not to exceed the maximum hour limit established in MN Statutes 119B.09, subd. 6, that may be paid for child care for a child. See definition for Scheduled Hours.

(Legal Authority: MN Rules 3400.0020 subp. 10(a))

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BASIC SLIDING FEE PROGRAM

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

BSF

See BASIC SLIDING FEE PROGRAM.

CALENDAR MONTH

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

CCAP

Child Care Assistance Program.

CCAP FAMILY

See FAMILY.

CHILD

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

(Legal Authority: Minnesota Statutes 119B.011, Subd. 4)

CHILD CARE

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

(Legal Authority: Minnesota Statutes 119B.011, Subd. 5)

COUNTY AND TRIBAL CHILD CARE FUND PLAN

A county, tribe, and the designated administering agency shall submit a biennial plan to the commissioner of DHS. The plan shall include information requested by the department to ensure compliance with the child care fund statutes and rules, and allows agencies to establish some local policies and procedures.

COPAYMENT FEE

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

(Legal Authority: Minnesota Rules 3400.0020, Subp. 24)

COUNTY BOARD

The board of county commissioners in each county.

(Legal Authority: Minnesota Statutes 119B.011, Subd. 9)

DISABILITY

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

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Needs).

(Legal Authority: Minnesota Rules 3400.0020, Subp. 17a)

DWP

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

Discovery Date

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

DOCUMENTATION

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

(Legal Authority: Minnesota Rules 3400.0020, Subp. 18)

EARNED INCOME

See INCOME.

eDOCs

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

EDUCATION PROGRAM (applies to Basic Sliding Fee)

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

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

ELIGIBLE RELATIVE CAREGIVER

A person who is the caregiver of a child receiving an MFIP or DWP child only grant OR the caregiver is a person receiving an MFIP or DWP grant that includes the child. See Chapter 5.3 (Determining the Child Care Assistance Program (CCAP) Family), Chapter 5.9 (CCAP Family Composition Examples).

(Legal Authority: Minnesota Statutes 256J.08; Minnesota Rules 3400.0020, Subp. 20)

EMPLOYMENT PLAN (applies to MFIP/DWP)

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

(Legal Authority: Minnesota Statutes, 256J.49, Subd. 5)

ESTABLISHED DATE

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

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EXCLUDED TIME FACILITY

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

FAMILY

The Child Care Assistance Program (CCAP) defines a family as parents, step-parents, guardians and their spouses, or other eligible relative caregivers and their spouses, and their blood related dependent children and adoptive siblings under the age of 18 years living in the same home including children temporarily absent from the household in settings such as schools, foster care, and residential treatment facilities, or parents, step-parents, guardians and their spouses, or other relative caregivers and their spouses temporarily absent from the household in settings such as schools, military service, or rehabilitation programs. An adult family member who is not in an authorized activity under this chapter may be temporarily absent for up to 60 days. When a minor parent or parents and his, her, or their child or children are living with other relatives, and the minor parent or parents apply for a child care subsidy, "family" means only the minor parent or parents and their child or children. An adult age 18 or older who meets this definition of family and is a full-time high school or postsecondary student may be considered a dependent member of the family unit if 50 percent or more of the adult's support is provided by the parents, stepparents, guardians, and their spouses or eligible relative caregivers and their spouses residing in the same household. The term "spouse" includes married same-sex spouses. For information on how to determine CCAP Family, see Chapter 5.3 (Determining the CCAP Family).

FAMILY SUBSIDY PROGRAM

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

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

For additional information about the Family Subsidy Program families may either:
Contact their local county social services agency.
or
See the DHS Family Support Grant program website.

FICA

Federal Insurance Contribution Act. Social Security withholding tax.

FULL CALENDAR MONTH

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

HOUSEHOLD OF APPLICANT/PARTICIPANT/FAMILY

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

HOUSEHOLD OF PROVIDER

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

INCOME

Earned or unearned income received by ALL FAMILY members, including public assistance cash

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benefits, at-home infant child care subsidy payments, and child support and maintenance distributed to or received by the family. See Chapter 6 (Income Eligibility).

INFANT

Licensed Family Child Care: A child is an infant up to 12 months of age.

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

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

License Exempt Centers: Follow the Licensed Center Child Care definition

(Legal Authority: Minnesota Statutes 245A.02; Subd.19, Minnesota Rules 9503.0005; Minnesota Rules 9503.0040)

IN-HOME CARE

Care provided in the child's own home.

KNOWN TO THE AGENCY

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

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

LEGAL GUARDIAN

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

(Legal Authority: Minnesota Rules 3400.0020, Subp. 31b)

LUMP SUM

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

MAXIS

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

MEC²

Minnesota Electronic Child Care System.

MFIP

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

MFIP/DWP CHILD CARE

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

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MFIP/DWP CHILD CARE FOR STUDENT PARENTS

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

MINOR PARENT

A parent who is less than 18 years of age.

OVERPAYMENT

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

(Legal Authority: Minnesota Rules 3400.0020, Subp. 33)

PARENT

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

PARENTALLY RESPONSIBLE INDIVIDUAL (PRI)

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

PRE-SCHOOL

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

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

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

Licensed Exempt Centers: Follow the Licensed Center Child Care definition.*

Preschool/School age category changes; in August of each year, MEC² will complete the annual school age change batch. This process changes the Age Category for children who have reached the appropriate age to start kindergarten in the fall and who have a kindergarten start date entered on the child's school window. Without a date entered in that field, the age change cannot occur and the child will remain in the preschool age category when they should be changed to school age. Please refer to the MEC² User Manual for further information.

(Legal Authority: Minnesota Statutes 245A.02, Subd.19; Minnesota Rules 9503.0005)

PROVIDER

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

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

PROVIDER RATE

The amount the provider charges for child care.

(Legal Authority: Minnesota Rules 3400.0020, Subp. 35)

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PROVISIONAL AUTHORIZATION

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

(Legal Authority: Minnesota Rules 3400.0110 Subp. 2a and 2b.; Minnesota Statutes 119B.125 Subd.5)

PROVISIONAL PAYMENT

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

(Legal Authority: Minnesota Rules 3400.0110, Subp.2a and 2b; Minnesota Statutes 119B.125 Subd. 5)

RECOUPMENT OF OVERPAYMENTS

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

(Legal Authority: Minnesota Statutes 119B.011, Subd. 21)

REDETERMINATION

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

(Legal Authority: Minnesota Rules 3400.0020, Subp. 37)

REGISTRATION

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

(Legal Authority: Minnesota Rules 3400.0120, Subp. 2; Minnesota Statutes. 119B.011, Subd. 19a)

RESERVE

See TEMPORARY INELIGIBILITY.

RESIDENCE

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

(Legal Authority: Minnesota Rules 3400.0020, Subp. 38a.)

RSDI

See RETIREMENT, SURVIVORS, AND DISABILITY INSURANCE.

RETIREMENT, SURVIVORS, AND DISABILITY INSURANCE

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

SCHEDULED HOURS

The specific days and hours during a service period that a child will attend child care as determined by

GLOSSARY

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the child care worker, the parent and the provider based on the parents verified eligible activity schedules, the child's school schedule, and any other factors relevant to the families child care needs.

(Legal Authority: MN Rules 3400.0020, Subp. 38b)

SCHOOL AGE

Licensed Family Child Care: A child is school age when they are at least of sufficient age to attend the first day of kindergarten within the next four months through age 12 or age 14 if the child has a verified special need. For information on Special Needs, see Chapter 9.54 (Special Needs).

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

Licensed Center Child Care: A child is school age when they are at least of sufficient age to attend the first day of kindergarten within the next four months through age 12 or age 14 if the child has a verified special need. For information on Special Needs, see Chapter 9.54 (Special Needs).**

License Exempt Centers: Follow the Licensed Center Child Care definition.**

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

(Legal Authority: Minnesota Statutes 245A.02, Subd. 19; Minnesota Rules 9503.0005)

SMI

State Median Income.

SSI

See SUPPLEMENTAL SECURITY INCOME.

STUDENT

A person enrolled in an educational program as defined by the definition of EDUCATION PROGRAM.

(Legal Authority: Minnesota Rules 3400.0020, Subp. 40)

SUPPLEMENTAL SECURITY INCOME

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

SUSPENDED

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

TEMPORARY ABSENCE

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

(Legal Authority: Minnesota Rules 3400.0020, Subp. 40a)

TEMPORARY INELIGIBILITY

When a family has been receiving child care assistance and a change makes them ineligible and the

GLOSSARY

2

ineligibility is believed to be temporary, the family's position in CCAP should be reserved. The case remains active for a maximum of 90 days, one academic semester/quarter, or until deactivated from military service (if a family had been receiving child care assistance but increased income from active military service made them ineligible). Payments cannot be made while a family is temporarily ineligible. See Chapter 8.6 (Temporary Ineligibility).

(Legal Authority: Minnesota Statutes 119B.09, Subd. 4a; Minnesota Rules 3400.0040, Subp. 17)

TODDLER

Licensed Family Child Care: A child is a toddler at 12 months of age up to 24 months of age

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

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

License Exempt Centers: Follow the Licensed Center Child Care definition.

(Legal Authority: Minnesota Statutes 245A.02, Subd. 19; Minnesota Rules 9503.0005; Minnesota Rules 9503.0040)

TRANSITION YEAR CHILD CARE

Child care assistance used to support employment or job search for families who have received MFIP assistance or who were eligible to receive MFIP assistance after choosing to discontinue receipt of the cash portion of MFIP assistance or who have received DWP assistance for at least 3 of the last 6 months before losing eligibility for MFIP or DWP. Transition year child care is not available to families who have been disqualified from MFIP or DWP due to fraud.

(Legal Authority: Minnesota Statutes 119B.011, Subd. 20)

TRANSITION YEAR EXTENSION CHILD CARE

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

(Legal Authority: Minnesota Statutes 119B.011, Subd. 20a)

UNITARY RESIDENCE

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

MFIP SANCTIONS**4.3.3.9**

Agencies apply Minnesota Family Investment Program (MFIP) sanctions when participants do not cooperate with employment services or with child support enforcement. Sanctioned participants are NOT removed from the MFIP assistance unit; but the amount of the MFIP grant is reduced.

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

NON-COOPERATION WITH CHILD SUPPORT

Do NOT approve child care assistance if the sanction is due to non-cooperation with child support. Cooperation with child support is a condition of eligibility for child care assistance. When a family is not cooperating with child support, the family's child care assistance case should be closed. If the family begins cooperating with child support prior to the Child Care Assistance Program (CCAP) case closing, child care assistance should remain open. If the family begins cooperating with child support after the CCAP case closes, require the family to reapply. The eligibility begin date cannot be prior to the date the family comes back into compliance with child support.

NON-COOPERATION WITH EMPLOYMENT SERVICES (ES)

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

In general, do not approve an adverse action until the participant has actually been sanctioned. This does not happen until after the Notice of Intent to Sanction Phase. Notification that the participant has been sanctioned should come from the job counselor, not the financial worker. Child care should not be authorized for the non-compliant activities while the participant is in sanction unless the job counselor specifies that the client is working towards curing the sanction and care can continue. The date the sanction is imposed for MFIP is not necessarily the same as the date that the sanction affects the family's CCAP benefits. See Chapter 16.1 (CCAP Authorizations for Clients with an EP).

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

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

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

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

- The participant is seeking employment (up to 240 hours).
and/or
- The participant is working an average of 20 hours per week, or 10 hours per week if they are a full-time student, receiving at least the applicable minimum wage for all hours worked. The educational activity does not need to be approved in the Employment Plan for the 10 hour requirement to apply.

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

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

MFIP SANCTIONS**4.3.3.9**

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

LEGAL AUTHORITY

Minnesota Statutes 119B.011 to 119B.24

Minnesota Statutes 256J

BSF STUDENTS**4.3.12.3**

Your agency must approve a student's education or training program prior to authorizing child care assistance for education under Basic Sliding Fee (BSF). Documentation of the approval of the education or training program must be included in the case file. Documentation may include an agency form showing approval, written communication such as an email indicating approval, or a case note stating that the education or training program has been approved. Education or training programs must reasonably lead to full-time employment opportunities as determined by the agency. Use the criteria in your County and Tribal Child Care Fund Plan to assess this.

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

Students must maintain satisfactory progress in the education or training program. Require the student to provide documentation of satisfactory progress from the institution.

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

BASIC OR REMEDIAL EDUCATION

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

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

ASSOCIATE OR BACCALAUREATE EDUCATION

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

POST BACCALAUREATE EDUCATION

Do not approve a training plan for a second baccalaureate degree or for education beyond a baccalaureate degree except for continuing education units or certification or coursework necessary to update credentials to obtain or retain employment.

LEGAL AUTHORITY

Minnesota Statutes 119B.07

Minnesota Rules 3400.0040

BSF PRIORITIES

4.3.12.9

Each county or tribe receives an annual capped allocation for Basic Sliding Fee (BSF) Child Care Assistance. When funding is not available, establish a waiting list of applicant families who would be eligible if funding was available. Sort the list by the priorities provided below.

1st Priority

Non-MFIP/DWP applicants without a high school or general equivalency diploma, or who need remedial and basic skill courses in order to pursue employment or education leading to employment are considered 1st Priority. Students must be participating in an education program. Within this group, give priority to:

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

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

2nd Priority

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

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

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

Also give 2nd Priority to families who receive less than 3 months of DWP benefits. These families are not eligible to receive TY Child Care, but are 2nd Priority for BSF.

3rd Priority

Families who are eligible for BSF Portability Pool (PP) are considered 3rd Priority. Families remain in 3rd Priority even if their PP assistance ends. See Chapter 4.3.12.15 (BSF Portability Pool). Report families in this priority starting with the month that they become eligible for PP funding. The family's effective date on the waiting list should be the date of the family's move.

4th Priority

Families in which at least one parent in the CCAP family is a veteran as defined under Minnesota Statutes section 197.447 are considered 4th Priority. A veteran is a US citizen or resident non-citizen separated under honorable conditions from any branch of the US armed forces after:

- Serving on Active duty for 181 consecutive days
or
- Incurring a disability while serving on active duty

BSF PRIORITIES

4.3.12.9

- or
- Meeting the minimum active duty requirement
- or
- Has active military service certified discharge under honorable conditions.

5th Priority

All other eligible families are considered 5th Priority. Agencies may set priorities within this category. Check your County and Tribal Child Care Fund Plan to see if subpriorities have been established by your agency. For the definition of County and Tribal Child Care Fund Plan, see Chapter 2 (Glossary).

LEGAL AUTHORITY

Minnesota Statutes 119B.03
Minnesota Statutes 119B.011
Minnesota Rules 3400.0060

BSF WAITING LIST MANAGEMENT**4.3.12.12**

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

When funding becomes available, go to the top of the list and authorize assistance for the number of eligible families the funding will cover. Families receiving MFIP/DWP Child Care for Student Parents are included in the 1st priority and must be added to BSF before families in lower priorities.

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

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

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

LEGAL AUTHORITY:

Minnesota Statutes 119B.03

Minnesota Rule 3400.0035

Minnesota Rule 3400.0060

Minnesota Rule 3400.0040

DATE OF ELIGIBILITY**4.12**

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

MFIP/DWP

- Approve eligibility for employed persons not participating in employment services beginning the later date of:
 - The date of employment or approved job search.
- or
- The date of MFIP or DWP eligibility.

- Retroactive eligibility cannot go back further than 6 months prior to the application date.
- Approve eligibility for participants in employment services beginning the later date of:
 - The start date of the services.
- or
- The date of MFIP or DWP eligibility.

TRANSITION YEAR (TY)

- Approve eligibility the first day of the month after the family loses eligibility for MFIP or DWP if the family is eligible. Make child care payments retroactive to this date if the family has maintained eligibility during the entire time period. Payments of child care assistance may only be made retroactive for a maximum of six months from the CCAP application date.
- If the family has not maintained eligibility during the entire time period since MFIP or DWP eligibility ended, then the family will need to reapply. Make child care payments retroactive to the date TY eligibility requirements were met after MFIP or DWP eligibility ended. TY requirements include income entrance limits as described in Chapter 4.3.6 (Transition Year (TY)).
- A family with continued CCAP eligibility that can be verified does not need to meet the income entry requirement.

TRANSITION YEAR EXTENSION (TYE)

- Approve eligibility the date the family completes their Transition Year Child Care and Basic Sliding Fee funding is not available. The family must maintain eligibility requirements for TYE

BASIC SLIDING FEE (BSF)

Approve child care assistance beginning the later date of:

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

MFIP/DWP CHILD CARE FOR STUDENT PARENTS

Approve child care assistance beginning the later of:

- The date the application was received by the agency.
- or
- The date the parent began pursuing an approved high school or general equivalency diploma education activity.

LEGAL AUTHORITY

Minnesota Rules 3400.0040
Minnesota Statutes 119B.09

DETERMINING THE CCAP FAMILY**5.3**

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

ADULT FAMILY MEMBERS LIVING OUT OF THE HOUSEHOLD

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

DEPENDENT ADULT STUDENTS

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

To include the adult student as a dependent in the family, the family must verify:

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

See the following chapter sections for more information:

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

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

MINOR PARENTS LIVING WITH OTHER RELATIVES

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

PARENTING TIME ARRANGEMENTS – CHILD RESIDES IN MULTIPLE HOMES

CCAP does not require a child to be in the home of any parent for a certain percentage of time to receive child care assistance.

When a child resides in multiple homes, all families can apply for child care assistance. Parenting time arrangements are an example of when a child resides in two homes. The child is considered to be temporarily absent from each home during the time the child is not in residence in that home. The child is included in the household size in all homes. An applicant/participant can only receive CCAP for a child when the child resides in the applicant's/participant's home. All cases would have to cooperate with child support enforcement because there is an absent parent in each case. Eligibility, income, copayment, and household size are determined separately for each case.

When a child resides in more than one household and care is authorized to different providers on each case, do not authorize care so that absent days will be paid to the provider(s) not caring for the child.

GUARDIANS

To receive child care assistance, the applicant must be the parent, step-parent, legal guardian, legal guardian's spouse, eligible relative caregiver, or eligible relative caregiver's spouse of the child. The relationship of the child to the applicant must be verified.

DETERMINING THE CCAP FAMILY**5.3**

- Legal guardian means a person has been appointed or accepted as guardian by a court of jurisdiction or tribal law.
- Eligible relative caregiver means a person who is a caregiver of a child receiving a Minnesota Family Investment Program (MFIP) grant or who is an MFIP participant and the caregiver of a child.

Kinship caregivers (relative custodians) receiving Northstar Kinship Assistance must meet one of the legal guardian definitions above in order to receive child care assistance for the child. If the Kinship caregiver meets one of the legal guardian definitions above, the child is included in the family size. If the Kinship caregiver does not meet one of the legal guardian definitions above, the child is not included in the family size.

There are other situations in which a non-parent caretaker may consider themselves a guardian but are not considered family by CCAP. For example:

- Foster parents are not considered legal guardians for CCAP purposes. Foster children are not included in the foster parent's family size and are not eligible for CCAP payments.
- A person with a notarized Delegation of Power by Parent does not meet the definition of legal guardian.

CASE EXAMPLES

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

LEGAL AUTHORITY

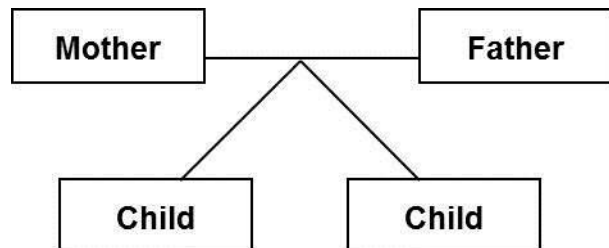
Minnesota Statutes 119B.011, Subd. 13

CCAP FAMILY COMPOSITION EXAMPLES

5.9

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

2-PARENTS MARRIED FAMILIES



1st case scenario **Mother** Working 35 hours per week
 Father Going to school
 Family Size 4

2nd case scenario **Mother** Morning 35 hours per week
 Father Unable to care as determined by licensed physician.
 Family size 4

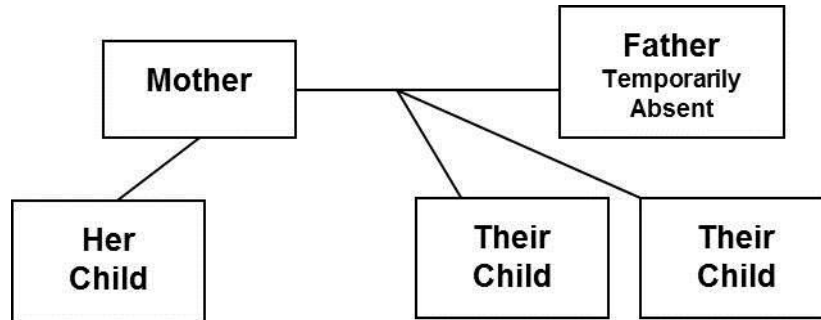
If the family meets general eligibility for CCAP, the following CCAP programs may be available to them.

- | | | |
|-------------|--------|---|
| BSF | Case 1 | Eligible with county-approved education plan for father’s education. |
| | Case 2 | Eligible for mom’s work activity. |
| MFIP | Case 1 | Eligible with an approved Employment Plan for the father. |
| | Case 2 | Eligible for mom’s work activity. |
| TY | Case 1 | Father is considered available to provide care. Education is not an authorized activity under TY. |
| | Case 2 | Eligible for mom’s work activity. |

CCAP FAMILY COMPOSITION EXAMPLES

5.9

2-PARENT MARRIED FAMILY (1 TEMPORARILY ABSENT)



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

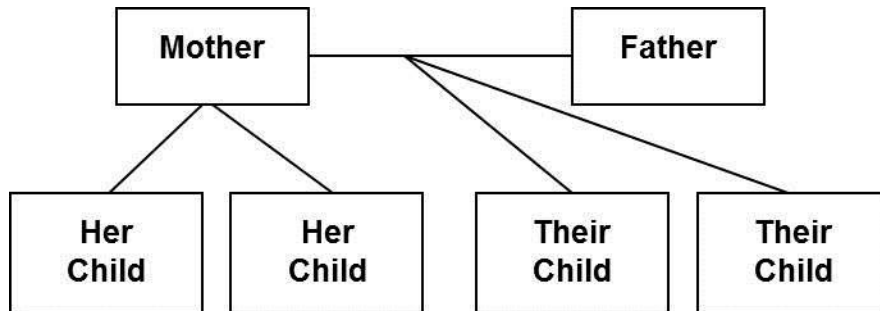
If the family meets general eligibility for CCAP, the following CCAP programs may be available to them.

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

CCAP FAMILY COMPOSITION EXAMPLES

5.9

2-PARENT MARRIED BLENDED FAMILY



Mother Attending school
Father Working 40 hours per week.
Family size 6

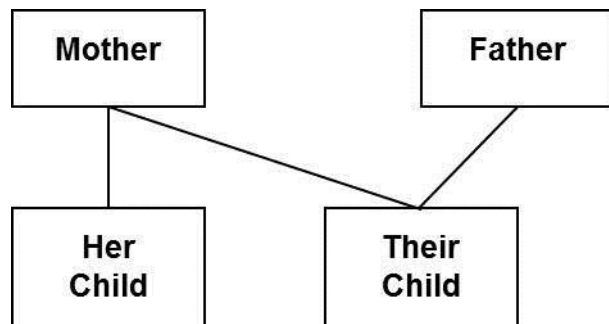
If the family meets general eligibility for CCAP, the following CCAP programs may be available to them.

BSF Eligible with an approved education plan.
MFIP Eligible with an approved Employment Plan for the mother.
TY Not eligible. School is not an authorized activity for TY.

CCAP FAMILY COMPOSITION EXAMPLES

5.9

2-PARENT UNMARRIED BLENDED FAMILY



Case Scenario 1

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

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

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

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

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

Case Scenario 2

Mother Temporarily absent from the household, no authorized activity
Father Working 40 hours per week
Family size 4

If the family meets general eligibility for CCAP and the temporarily absent parent will return to the household within 60 days, continue to authorize care for both children as needed.

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

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

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

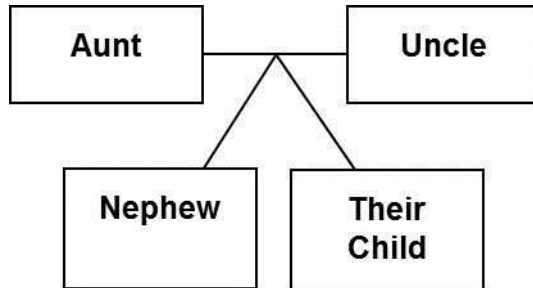
*If the temporarily absent parent is in an authorized activity, there is no limit on the length of time that the parent may be absent as long as they intend to return.

Refer to CCAP Policy Manual 5.6.

CCAP FAMILY COMPOSITION EXAMPLES

5.9

ELIGIBLE RELATIVE CAREGIVER OR LEGAL GUARDIAN FAMILY



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

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

BSF Eligible.

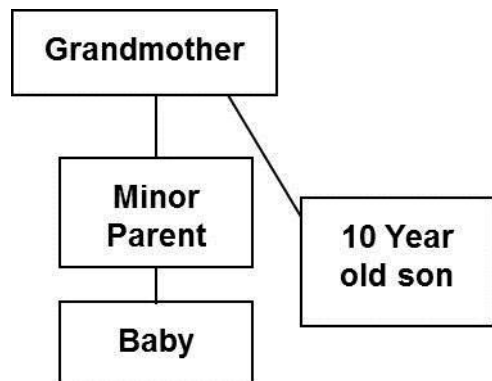
MFIP No. Would be eligible only if aunt and/or uncle (applicant for CCAP) are on the MFIP grant.

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

CCAP FAMILY COMPOSITION EXAMPLES

5.9

MINOR PARENT FAMILY LIVING WITH HIS OR HER PARENT



Grandmother Working 40 hours per week.

Minor Parent Attending High School.

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

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

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

Or

Family B = Grandmother and 10 Year old.

And

Family C = Minor Parent and Baby.

BSF Family A/B Family could apply for assistance for 10 year old while the grandmother works.
Family C Child care is available while minor parent attends school with an approved education plan.

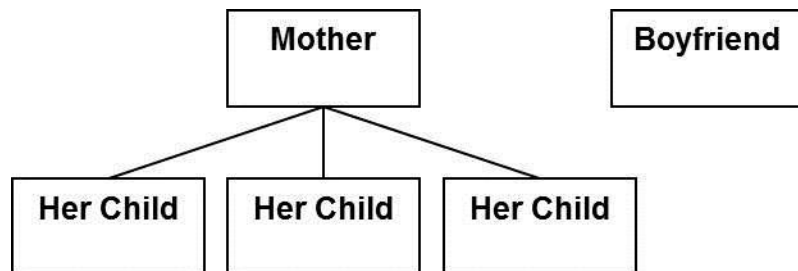
MFIP Family A/B Grandmother could apply for assistance for 10 year old while she works.
Family C Minor parent must have an approved Employment Plan.

TY Family A/B Family would be eligible for child care for 10 year old while grandmother works if she has been on MFIP for 3 out of the previous 6 months.
Family C Not eligible. School is not an authorized activity for Transition Year.

CCAP FAMILY COMPOSITION EXAMPLES

5.9

UNMARRIED PARENT LIVING WITH BOYFRIEND

**Case Scenario 1****Mother** Working days, 30 hours per week**Boyfriend** Working intermittently, some days and some nights.**Family size** 4 (boyfriend does NOT meet the definition of family and is not considered part of the CCAP family)

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

BSF Eligible for mother's work activity.**MFIP** Eligible for mother's work activity.**TY** Eligible for mother's work activity.**Case Scenario 2**

Mother and boyfriend get married.

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

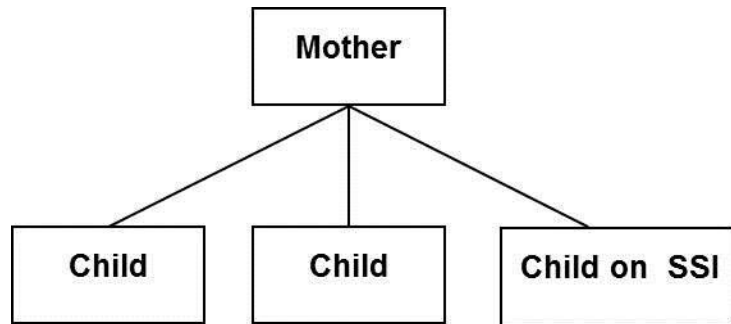
If the family meets general eligibility for CCAP, the following CCAP programs may be available to them.

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

CCAP FAMILY COMPOSITION EXAMPLES

5.9

UNMARRIED PARENT WITH A CHILD ON SSI



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

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

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

BSF Not eligible.

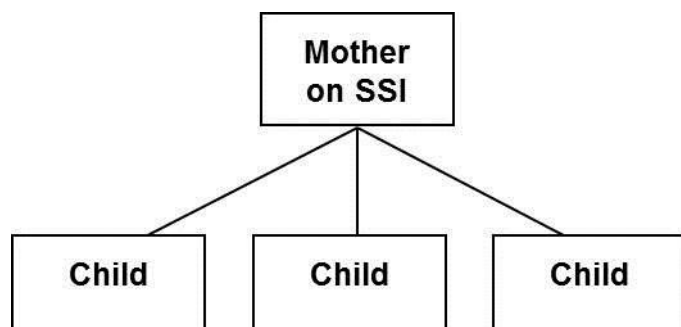
MFIP Eligible (determined by the applicant's status).

TY Not eligible.

CCAP FAMILY COMPOSITION EXAMPLES

5.9

UNMARRIED MOTHER ON SSI



Mother Receives SSI

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

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

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

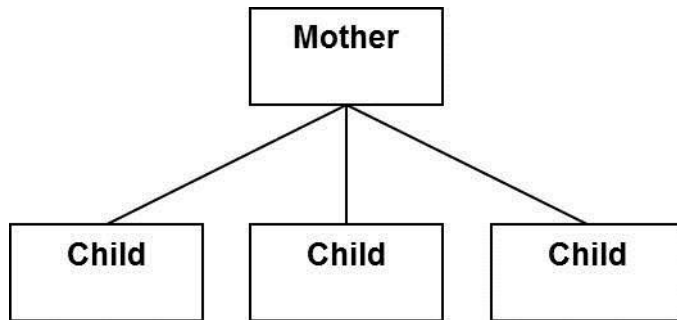
MFIP Not eligible.

TY Not eligible.

CCAP FAMILY COMPOSITION EXAMPLES

5.9

MOTHER DISQUALIFIED DUE TO FRAUD



Mother Not on MFIP because of MFIP fraud disqualification (NOT a MFIP child care fraud.).
Children 3 children received MFIP.
Family size 4

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

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

MFIP Not eligible.

TY Not eligible.

LEGAL AUTHORITY

Minnesota Statutes 119B.011
Minnesota Rules 3400.0040

INCOME ELIGIBILITY**6**

This chapter covers policies and procedures regarding income eligibility.

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

To determine income eligibility:

- Collect information regarding income received by all family members.
- Verify all income.
- Allow specific exclusions.
- Determine and enter into MEC² the following income components based on verification provided. See Chapter 6.15 (Annualizing Income).
 - Payment Frequency
 - Income Projection Amount
 - Income Projection Payment Frequency
 - Income Projection Hours Per Week
- Apply annualized income after deductions to the appropriate income limit. See Chapter 6.3 (Income Limits).
- Calculate the family copayment if eligible.

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

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

If an application is being made for CCAP, health care coverage, cash assistance and/or emergency assistance, an online application may be submitted through ApplyMN. Apply MN also requests the same income information as the CCAP Application.

Additional information is included in the following sub-sections:

6.3	Income Limits
6.6	Earned/Unearned Income
6.12	Excluded Income
6.15	Annualizing Income
6.15.3	Annualizing MFIP & Earned Income
6.15.6	Annualizing Self-Employment Income
6.15.9	Annualizing Rental Property Income
6.15.12	Annualizing Farming Income
6.15.15	Annualizing Lump Sum Income
6.16	Applicable Minimum Wage
6.18	Income Deductions
6.21	Family Copayment

LEGAL AUTHORITY

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

ANNUALIZING RENTAL PROPERTY INCOME**6.15.9**

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

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

Deduct the following expenses from gross rental receipts:

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

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

MEC² will annualize the rental income based on the individual income components supported by the verification documents.

LEGAL AUTHORITY

Minnesota Rules 3400.0170

Minnesota Statutes 119B.011

ANNUALIZING LUMP SUM INCOME**6.15.15**

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

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

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

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

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

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

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

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

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

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

TRACKING THE LUMP SUM

MEC² does not remove the lump sum from income in eligibility when the annualization period ends. See the MEC² User Manual for instructions on how to track the expiration of the lump sum income and steps to follow when it expires.

LEGAL AUTHORITY

Minnesota Statutes 119B.011
Minnesota Statutes 119B.02
Minnesota Rules 3400.0170
Minnesota Rules 3400.0180
Minnesota Rules 3400.0185

SCHEDULE VERIFICATION – CHILD’S SCHOOL SCHEDULE**7.30**

Verification of the school schedule is required for every child who needs child care and attends school. Verification is needed at application, redetermination if a change has occurred, at other times when there is a change in the child’s school schedule, and when the child moves to a new school. If, at redetermination, there has not been a change in the child’s school schedule, and verification has been obtained previously, verification is not required. A change includes a different school or different school schedule. The verification must show the start and end times of classes. If start and end times differ by day of the week, the verification must show the start and end times by day of the week. The verification does NOT need to include the child’s name. Worker obtained verification of the school schedule is acceptable. For children attending a school without a set schedule, such as an online based school or they are being home schooled, contact your Technical Liaison to determine what type of schedule verification is required.

MFIP/DWP FAMILIES WITH AN APPROVED EMPLOYMENT PLAN

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

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

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

VERIFICATION TYPES

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

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

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

FAILURE TO PROVIDE SCHEDULE VERIFICATION

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

LEGAL AUTHORITY

MN Rules 3400.0020, Subp. 38b

MN Rules 3400.0040, Subp. 18

MN Rules 3400.0110, Subp 3

TEMPORARY INELIGIBILITY**8.6**

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

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

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

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

Check your County and Tribal Child Care Fund Plan to determine whether your county or tribe has chosen this option. Follow the time periods established above for those families you reserve a position for, if the county or tribe has chosen this option.

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

LEGAL AUTHORITY

Minnesota Statutes 119B.09 Subd. 4a

Minnesota Rules 3400.0040 Subp. 17

Minnesota Rules 3400.0060 Subp. 6

DETERMINATION OF PAYMENT AMOUNTS**9.9**

The payment amount is the provider's rate, not to exceed the CCAP maximum rate, minus the family copayment. See Chapter 9.24.3 (Child Care Rates, Registration Fees, Copayments), Chapter 9.27 (Higher Rates for Quality - Accreditation/Credential), Chapter 9.30 (Higher Rates for Quality – Parent Aware Rated Providers), and Chapter 6.21 (Family Copayment).

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

Do not pay more than the CCAP maximum rate or the rate the provider charges to private, full-paying families for like services, whichever is lower. Do not place other limits on the payment amount.

The payment amount is based on:

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

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

LEGAL NONLICENSED PROVIDERS (LNL)

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

LICENSED PROVIDERS AND LICENSE EXEMPT CENTERS

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

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

During the school year for school age children, before and after school age care providers sometimes use "session rates." In these cases, the hours of care authorized will determine if an hourly, daily or weekly rate may be paid. Payment will be the lesser of the CCAP maximum rate or the provider charge. See Chapter 9.1 (Child Care Authorization) for more information on authorizing care for school age children.

MAXIMUM AUTHORIZATION AND PAYMENT

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

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

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

DETERMINATION OF PAYMENT AMOUNTS**9.9**

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

Rate	Actual Hours of Care	Count Towards Total Hours of Care
Hourly	5 or less	Actual number of hours
Full-day	Greater than 5	10 hours
Weekly	Greater than 35	5 hours

PAYMENT DEDUCTIONS

The Department of Human Services Financial Operations Division staff will enter IRS and Minnesota Department of Revenue levies, send appropriate notices and monitor fulfillment of the levy. Agency staff can view information on IRS and Minnesota Department of Revenue tax levies and see that a levy has been entered and/or payments made tied to a particular provider in MEC². For other payment deductions required by law, such as child support payments, see Chapter 12.6.12 (Payment Deduction Required by Law Notices) and the MEC² User Manual for entering deductions.

LICENSE EXEMPT PROGRAM RATE

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

HIGHER RATES FOR QUALITY

Providers with certain current early childhood development credentials and providers with a three or four-star Parent Aware rating are eligible for higher rates for quality. Higher rates for quality are not a bonus that providers can charge above their typical rates. High quality rates may allow CCAP to pay more of the rate a provider is charging private, full-paying families for like services. See Chapter 9.27 (Higher Rates for Quality – Accreditation/Credential) and Chapter 9.30 (Higher Rates for Quality – Parent Aware Rated Providers).

SPECIAL NEEDS RATE

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

CO-PAYMENTS

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

CHILD CARE EXPENSES PAID BY OTHER SOURCES

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

When the family receives a Post-Secondary Child Care Grant that is earmarked to cover the same child care expenses that could be paid by the child care assistance program, the entire grant must be used before CCAP can make payments and the case must be suspended. If the grant is used for different child care expenses, CCAP does not need to be suspended. See Chapter 9.9.3 (Post-Secondary Child Care Grant) for more information on Post-Secondary Child Care Grants and how to use the grant in combination with CCAP funds.

Families can receive both CCAP and an Early Learning Scholarship. If a child is receiving CCAP, CCAP funds should be used first. Do not reduce CCAP payments due to an Early Learning Scholarship. Do not count an Early Learning Scholarship as income. An Early Learning Scholarship could be used to cover

DETERMINATION OF PAYMENT AMOUNTS**9.9**

family copayments, transportation or activity fees, private pay rates not covered by CCAP maximums, and breaks or reductions in CCAP authorization/eligibility.

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

CHILD CARE SUPPORT ORDER

A CCAP applicant or participant may have a Child Care Support Order stating the noncustodial parent pay a percentage or a set amount of the child care expenses. If the noncustodial parent is making payments directly to the provider and the amount only covers the copayment or another part of the child care expenses that CCAP would not pay it would not affect the CCAP case. The provider would need to indicate on the billing form that the copay was paid or that there was a payment agreement. If the noncustodial parent is making the payment directly to the provider and the amount covers part of the child care expenses that CCAP would pay the provider should be directed not to bill CCAP for that part of the child care expense. In both of these situations the provider must keep records of the payments received and the payment sources. If the noncustodial parent is making the payment to the custodial parent the payment would be considered income to the custodial parent.

LEGAL AUTHORITY

Minnesota Statutes 119B.13

Minnesota Statutes 119B.10, Subd. 11

Minnesota Rules 3400.0110, Subd. 4a

Minnesota Rules 3400.0130

AUTHORIZED HOURS - STUDENTS**9.12**

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

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

See Chapter 4.3.3.21 (MFIP/DWP Authorized Activities) for information about approving education as an authorized activity for MFIP/DWP.

GUIDELINES FOR AUTHORIZING CARE FOR EDUCATION

Authorize care as needed for:

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

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

OTHER CIRCUMSTANCES WHEN DETERMINING AUTHORIZED CARE

- Child care assistance for remedial classes is subject to the agency approval of an acceptable course of study. Authorize child care assistance for remedial classes as needed for the student to attend class and complete class assignments.
- For Minnesota Family Investment Program (MFIP) or Diversionary Work Program (DWP) students with an approved education or training plan, authorize child care assistance according to the approved Employment Plan (EP).
- Students on school breaks who are expected to return to school at the end of the break remain eligible during the break:
 1. If the break is expected to last 15 calendar days or less, care should continue to be authorized during the break period.
 2. If education is the family's only authorized activity, and the break is expected to last more than 15 calendar days, the case should be suspended for the break period. A 15 day notice of adverse should be sent to the client and provider in advance of the scheduled break. The case should be suspended the day the break begins.
 3. If education is not the family's only authorized activity, and the break is expected to last more than 15 calendar days, the number of hours authorized should be reduced to reflect the authorized hours needed for the family's other authorized activities during the break period. A 15 day notice of adverse action should be sent to the client and provider in advance of the scheduled break. The reduction in authorized hours should be effective the day the break begins.

LEGAL AUTHORITY

Minnesota Statutes 119B.07
Minnesota Rules 3400.0040

HIGHER RATES FOR QUALITY-ACCREDITATION/CREDENTIAL**9.27**

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

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

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

- A Child Development Associate credential (CDA).
- A diploma in child development from a Minnesota state technical college.
- An associate's degree in child development.
- A bachelor's degree or post-baccalaureate degree in early childhood education from an accredited college or university.
- Accreditation by the National Association for Family Child Care.
- Competency Based Training and Assessment Program Certificate. (This certificate has not been offered in Minnesota since 1997. If you get a copy of this certificate, contact DHS staff).

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

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

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

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

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

HIGHER RATES FOR QUALITY-ACCREDITATION/CREDENTIAL**9.27**

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

Centers that are not accredited by one of the above organizations are NOT eligible for the higher rate. Centers that are accredited by an organization other than the ones listed above are NOT eligible for the higher rate. The 15 percent higher rate for quality can be paid to both licensed and legal nonlicensed providers.

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

If an agency discovers that a provider was incorrectly entered into MEC² as being eligible for the 15 percent higher rate for quality, the information must be corrected in MEC² and the agency who discovered the error should contact all other counties or tribes, where the provider is registered. If the provider received payment at a higher rate than allowable, over payments must be assessed according to overpayment policies. See Chapter 14 (Overpayments). The Department of Human Services (DHS) has developed a [Quality Differential Rate Request Form \(PDF\) \(DHS-4795\)](#) that providers may use when requesting the higher rate.

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

LEGAL AUTHORITY

Minnesota Statutes 119B.13, Subd. 3a

LEGAL NONLICENSED (LNL) PROVIDERS**11.9**

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

Apply the following criteria to determine if a provider can be a LNL provider:

- At least 18 years of age.
and
- Not a member of the MFIP assistance unit, or a member of the family applying for or receiving child care assistance.
and
- Not living in the same home as the child whose family is applying for or receiving child care assistance.
and
- Provides child care only to related children, and/or provides child care to children from a single unrelated family at one time. Related refers to the provider being a sibling, a step-sibling, a niece, a nephew, a grandparent, an aunt, or an uncle.
and
- Has current certification in First Aid and CPR.
and
- Has not been excluded or debarred in another Department of Human Services (DHS) program.

REQUIRED FORMS

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

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

- Describes the registration process for LNL providers.
- Describes the participant's responsibilities and rights when choosing a LNL provider.
- Includes an acknowledgment that the participant and LNL provider will review the health and safety information provided by your county.
- Includes an assurance that the participant will provide an immunization record for each child to the LNL family child care provider within 90 days of the date that care begins, and will update the information as necessary.

Require the provider to complete and sign a [CCAP Legal Nonlicensed Provider Registration and Acknowledgement \(DHS-5192-ENG\) \(PDF\)](#) form. See Chapter 11.21 (Provider Authorization). The Legal Nonlicensed Provider Registration and Acknowledgement form includes information stating that the agency is required to keep a record of substantiated complaints concerning the health and safety of children in the care of LNL providers and that, upon request, information governing substantiated complaints must be released to the public as authorized under Minnesota Statutes 13.03.

TRAINING REQUIREMENTS

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

The training must have been provided by individuals approved to provide such training. Agencies should align standards for acceptable training with standards used for approving licensed family child care

LEGAL NONLICENSED (LNL) PROVIDERS**11.9**

provider First Aid and CPR training. The training must be effective as of the date the provider registration is approved. See Chapter 11.12 (Provider Registration).

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

PROVISIONAL PAYMENTS

Your county or tribe may choose to make provisional payments to LNL providers when all the requested information/documentation has been submitted but the county has not completed the background check. These payments are temporary and end if your agency denies the authorization request. Check your County and Tribal Child Care Fund Plan to see if your county or tribe has chosen this option. For additional information on payments to providers, see Chapter 9.3 (Payments to Providers).

BACKGROUND STUDY REQUIREMENTS

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

Background studies are required for:

- The provider and each household member age 13 and older.
- Each household member age 10-12 living in the household where the provider services will be provided when the commissioner has reasonable cause as defined under MN Statutes 245C.02, Subd 15.
- An individual who, without providing direct contact services in the LNL program may have unsupervised access to children receiving services from the program, when the commissioner has reasonable cause.

Conduct a background study that includes findings from the Bureau of Criminal Apprehension, juvenile courts, and social service agencies. If the local county juvenile courts and social service agency do not maintain statewide records, contact the county where the provider currently resides and any counties where the provider resided in the past five years. A finding that a delinquency petition is proven in juvenile court must be considered a conviction in state district court.

A county agency may charge a fee to a LNL provider or applicant for authorization to recover the actual cost of the background studies completed, not to exceed \$100 annually.

Counties may elect to reduce or waive the background check fees:

- In cases of financial hardship
or
- If the county has a shortage of providers in the county's area
or
- For new providers
or
- For providers who have attained at least 16 hours of training before seeking initial licensure.

Counties may allow providers to pay the applicant fees on an installment basis for up to one year.

LEGAL NONLICENSED (LNL) PROVIDERS**11.9**

When the background study reports are returned, review (or have reviewed) for conviction, admission of guilt or a preponderance of evidence indicating that the person has committed a criminal act that disqualifies them from being authorized as a legal nonlicensed provider. The disqualifying acts and characteristics are listed under MN Statutes 245C.14, MN Statutes 245C.15, and MN Statutes 119B.125 subdivision 2 (b) through (e). If the provider or any household members subject to the background study is determined to have a disqualifying act or characteristic, the provider cannot be authorized.

A provider who has had a negative licensing action as a licensed family child care provider is not allowed to provide legal non-licensed care to children from one unrelated family and be paid by CCAP. The licensing exemption to provide care to children from a single unrelated family does not apply to a child care provider who has had a conditional license or a sanction, or an applicant who has had a license denied.

You may later authorize a previously denied LNL applicant if the person:

- Applies for and obtains a valid Minnesota child care license, a license issued by a tribe or another state.
and
- Maintains the valid child care license.
and
- Provides child care in the area under the jurisdiction of the licensing tribe or in the state of licensure.

If the LNL provider is not able to be authorized to provide care in the provider's home because a household member of the provider has a factor that prohibits authorization, the in-home care exception must be approved by DHS before care can be authorized. See Chapter 11.27 (In-Home Child Care Provider Information). The family must request that the care be provided in the child's home and this request must be approved by DHS before the provider can be authorized to provide care in the child's home. If the child and the provider live in the same home, in-home care is not an option.

Agencies identify in their County and Tribal Child Care Fund Plan whether they perform background studies on LNL providers already registered in another county prior to authorizing that provider. Counties and tribes that do not perform a background study on LNL providers already registered in another county prior to authorizing that provider are only required to perform a background study on a LNL provider registered in another county if one of the following exists:

- Two years have passed since the most recent authorization.
- An individual has reached age 10 but is not yet age 13 and is living in the household, when the agency has reasonable cause as defined under MN Statutes 245C.02, subd. 15.
- Another person age 13 or older has joined the provider's household since the last authorization.
- A current household member has turned 13 since the last authorization.
- Your agency has reason to believe that a household member has a factor prohibiting authorization.
- The agency's provisions for unsafe care differ from those established by the agency responsible for the first authorization.

PAYMENT INFORMATION

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

LEGAL AUTHORITY

Minnesota Statutes 13, Subd.03
Minnesota Statutes 119B.011, Subd. 5
Minnesota Statutes 119B.011, Subd. 19
Minnesota Statutes 119B.125, Subd. 1 and 2, 3, 5
Minnesota Statutes 245A.03, Subd. 2(b)

LEGAL NONLICENSED (LNL) PROVIDERS

11.9

Minnesota Statutes 245A.10 Subd. 2 (b)
Minnesota Statutes 245C.03 Subd. 2, (a)(1), (a)(2), and (b)
Minnesota Statutes 245C.08
Minnesota Statutes 245C.14
Minnesota Statutes 245C.15
Minnesota Rules 3400.0120
Minnesota Rules 3400.0110, Subp. 2a
Minnesota Rules 3400.0140, Subp. 5
Minnesota Rules 3400.0035, Subp. 8 and 9

PROVIDER REGISTRATION**11.12**

Before you can approve payment to any provider, that provider must register with your county or tribe. Registration is the process you use to determine whether the provider chosen by a family meets the requirements necessary for payment of child care assistance.

Authorize the provider chosen by an applicant or a participant before making payment. See Chapter 11.9 (Legal Non-Licensed (LNL) Providers), Chapter 11.21 (Provider Authorization), and Chapter 11.24 (Provider Reauthorization). Agencies should allow a provider to register when requested, using the appropriate Department of Human Services (DHS) registration forms and processes. It is not required that the provider have children from the Child Care Assistance Program (CCAP) enrolled in the program.

The agency will send a provider registration and acknowledgement packet explaining the registration process, including a request for basic information regarding the provider, the provider's payment policies, and the provider acknowledgment to all providers.

Use the following letters/notices for all provider types listed below. The templates of letters/notices are on [eDocs](#).

Include the following attachments with all packets:

- [Child Care Provider's Responsibilities and Rights \(PDF\) \(DHS-4079\)](#)
- [Notice of Privacy Practices for Child Care Providers \(PDF\) \(DHS-3985\)](#)
- [Direct Deposit Form for the Minnesota Child Care Assistance Program \(PDF\) \(DHS-3552\)](#)
- [Child Care Assistance Program Financial Tracking Form \(PDF\) \(DHS-5318\)](#)
- [Minnesota Child Care Assistance Program Change Report Form \(PDF\) \(DHS-7196\)](#)
- Request for Taxpayer Identification Number(TIN) and Certification (IRS W-9). The Internal Revenue Service (IRS) W-9 needs to be sent to providers when they are being authorized for the first time on MEC² or when being reactivated in the system. If the provider is currently authorized and active on MEC², an IRS W-9 form does not need to be included with the packet.

Send the appropriate Provider Registration and Acknowledgement form based on the provider type:

- [CCAP Licensed Center Provider Registration and Acknowledgement \(PDF\) \(DHS-5190\)](#)
- [CCAP Licensed Provider Registration and Acknowledgement \(PDF\) \(DHS-7195\)](#)
- [CCAP Licensed Exempt Provider Registration and Acknowledgement \(PDF\) \(DHS-5191\)](#)
- [CCAP Legal Non-licensed Provider Registration and Acknowledgement \(PDF\) \(DHS 5192\)](#) and [Health and Safety Information for Parents and Legal Non-licensed Providers \(PDF\) \(DHS-5192A\)](#)
- [CCAP Authorization for Release of Background Study \(PDF\) \(DHS-5193\)](#) if a provider is a legal nonlicensed (LNL) provider.
- [CCAP Training Requirements for Legal Nonlicensed Family Providers \(PDF\) \(DHS-6419\)](#), if a provider is a legal nonlicensed provider (LNL).
- Any additional health and safety information your county would like to include.

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

LEGAL AUTHORITY

Minnesota Statutes 119B.125

Minnesota Statutes 119B.011, Subd. 19a

PROVIDER REPORTING**11.18**

Require all providers to report IMMEDIATELY to the CCAP agency:

- Child absence days when the child has been absent more than seven consecutive days.
- When a child attends less than half of their authorized hours or days for a four-week period.
- End of care for a child covered by child care assistance.
- Any changes in initial information in the provider acknowledgment including the provider's rate, charges for absences and holidays, any notice days required before a child discontinues care, and any required registration or activity fees.
- Suspected maltreatment of minors, to the appropriate authority.
- Death of a child while in the care of the provider, to the appropriate authority.
 - Legal nonlicensed providers and license-exempt centers must report the death to the CCAP agency.
 - The CCAP agency must report the death to the agency's Technical Liaison at the Department of Human Services.

When a child's attendance drops to less than half of their authorized hours or days for a four-week period, providers must report this in the Comments section of the Billing Form. Other attendance information may be reported on the Billing Form or by notifying the family's caseworker.

In addition, require legal non-licensed providers to report all changes that require reauthorization. See Chapter 11.24 (Provider Reauthorization).

LEGAL AUTHORITY

Minnesota Statutes 119B.125

Minnesota Rules 3400.0120 Subp. 5

PROVIDER AUTHORIZATION**11.21**

An authorized provider is a legal child care provider who has completed the registration process and has been approved for child care assistance payments.

The provider chosen by an applicant or a participant must be authorized before you can approve payment for care provided by that provider. The provider must complete and sign a provider registration form based on their provider type. [CCAP Licensed Center Provider\(PDF\) \(DHS-5190\)](#) or [CCAP Licensed Family Child Care Provider Registration and Acknowledgement \(PDF\) \(DHS-7195\)](#)

[CCAP Licensed Exempt Provider \(PDF\) \(DHS-5191\)](#) or [CCAP Legal Nonlicensed Provider \(PDF\) \(DHS-5192\)](#) should be used to authorize providers. The criteria for authorization of providers including statements that must be acknowledged by signing the registration and acknowledgment form and information that must be provided are listed below.

- The provider's rate, charges for child absences and holidays, any notice days required before a child discontinues care, and any required registration fees.
- If the provider is seeking the provider accreditation rate, the provider is eligible if they hold one of the approved early childhood development credentials or a current approved accreditation. See Chapter 9.27 (Higher Rates for Quality-Accreditation/Credential).
- Providers licensed by a state other than Minnesota, and providers licensed by a tribe, who are providing child care services in the licensing state or in the area under the licensing tribe's jurisdiction, must provide verification of their license prior to being authorized.
- Statement acknowledging that charging child care assistance participants more than families not receiving child care assistance for like services or wrongfully obtaining child care assistance may be a crime.
- Statement acknowledging that parents must be given unlimited access to their children and to the provider caring for the children during all hours that the children are in the provider's care.
- Statement acknowledging that the provider is responsible for notifying the county as provided in part Minnesota Rules 3400.0120, subpart 5, of child absent days and the end of care.
- Statement acknowledging that the provider is responsible for immediately notifying the county of any changes to the information supplied by the provider in the provider's acknowledgment.
- Statement acknowledging that the provider is a mandated reporter of maltreatment of minors under Minnesota Statutes, Chapter 626.556.
- Statement acknowledging that when the county knows that a particular provider or child care arrangement is unsafe, the county may deny child care assistance payments to that provider.
- Statement acknowledging that CCAP payments for child care provided by someone who resides in the same household or occupies the same residence as the child(ren) are prohibited.
- All providers must register with the county or tribe that serves the CCAP family. See Chapter 11.12 (Provider Registration).

There are additional requirements for authorization of legal non-licensed providers. See Chapter 11.9 (Legal Non-Licensed Providers) and Chapter 11.12 (Provider Registration).

You must reauthorize providers at least every two years. See Chapter 11.24 (Provider Reauthorization).

LEGAL AUTHORITY

Minnesota Statutes 119B.125
Minnesota Rules 3400.0120

DENIAL NOTICES – FAMILY**12.3.6**

Document the reason(s) for ineligibility and notify the client in writing if you determine an applicant family is not eligible for child care assistance. The agency must mail a notice of denial of assistance to the applicant within 30 calendar days after receiving the application. You may extend the response time by 15 calendar days with the consent of the applicant.

Include the following in the denial notice:

- The reason for denial.
- The basis for denial in statute, rule or your County and Tribal Child Care Fund Plan.
- The applicant's right to appeal and receive a fair hearing.

LEGAL AUTHORITY

Minnesota Rules 3400.0035, Subp 4

ADVERSE ACTION NOTICES – FAMILY**12.3.9**

Provide at least 15 calendar days notice to families before taking an adverse action on their case except when adverse action notice requirements are waived. See Chapter 12.1 (15-Day Notice Requirements) for the two exceptions.

Include the following in the written notice:

- A description of the action you're taking on the case.
- The effective date of the action.
- The reason for the action.
- The basis for your action in statute, rule or your County and Tribal Child Care Fund Plan.
- The right to appeal and receive a fair hearing and the procedure for doing so.
- The choices available if they choose to appeal:
 - Continue to receive child care assistance at the previous level while the appeal is pending, and be responsible for any overpayments that may result.
or
 - Accept the adverse action being taken, and potentially receive reimbursement for child care expenses incurred while the appeal is pending, if the family wins the appeal.

If the family corrects the condition requiring the adverse action before the effective date of the adverse action, the adverse action must not take effect.

OVERLAPPING ADVERSE ACTION PERIODS**Two reasons for case closure**

If a 15-day adverse action closing notice is already in effect for one reason and prior to that original closing date a worker approves a second adverse action for case closure, the worker must give 15-day notice for each action. MEC² cannot process overlapping adverse action periods when a case is closing. In cases where a second adverse action is given during the first 15-day notice period of case closure, workers need to send a manual adverse action notice and should add a worker comment to the second adverse action notice with the following information:

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

See also the MEC² User Manual Overlapping Adverse Action Periods Workaround.

Copay increase followed by case closure

When a copay fee is supposed to increase in the future (first adverse action) and an approval to close the case is done prior to the effective date of the copay fee increase (due to a second adverse action), and then the case is approved eligible within 15 days of the effective date of the copay fee increase or the case is reinstated, the copay effective date will be later to allow for another 15 day notice.

See also the MEC² User Manual Copay Fee Changes

WHEN A NOTICE PERIOD IS NOT REQUIRED

A 15-day notice period is not required when:

- A Minnesota licensed provider's license has been temporarily, immediately suspended under Minnesota Statutes, section 245A.07.
or
- There is imminent risk of harm to the health, safety or rights of a child in the care of a legal nonlicensed provider, license exempt center, or a provider licensed by an entity other than the State of Minnesota.

ADVERSE ACTION NOTICES – FAMILY**12.3.9**

When the action is not adverse a notice must be sent effective the date of the change. A 15-day notice is NOT required. Reasons can include increased authorized hours, decreased copayment, and continuation of payment awaiting appeal decision.

LEGAL AUTHORITY

Minnesota Rules 3400.0185, Subp. 3

Minnesota Rules 3400.0040, Subp. 4

TERMINATION NOTICES – FAMILY**12.3.12**

Provide at least 15 calendar days notice to families before terminating child care assistance except when adverse action notice requirements are waived. See Chapter 12.1 (15-Day Notice Requirements) for the two exceptions.

Include the following in the written notice:

- The effective date.
- The reason for the termination.
- The basis for your action in statute, rule or your County and Tribal Child Care Fund Plan.
- The right to appeal, receive a fair hearing and the procedure for doing so.
- Choices available if they choose to appeal:
 - Continue to receive child care assistance at the previous level while the appeal is pending, and be responsible for any overpayments that may result.
 - or
 - Do not receive child care assistance, and potentially receive reimbursement for child care expenses incurred while the appeal is pending, if the family wins the appeal.

Do not terminate the case if the family appeals and chooses to continue to receive child care assistance.

If the reason for termination is the family's move to another county, also include in the notice that the family may continue to receive child care assistance from the new county or tribe if they contact that county or tribe within 60 days of the move.

If the family's case is being terminated because the family requested their case to be closed and the family changes their mind before the effective date of the termination, the termination must not take effect.

If the family's case is being terminated because the family is no longer eligible for child care assistance and the family re-establishes eligibility before the effective date of the termination, the termination must not take effect.

LEGAL AUTHORITY

Minnesota Rules 3400.0185, Subp 1

Minnesota Rules 3400.0040, Subp. 4

DISQUALIFICATION FOR FRAUD - PROVIDERS**14.12.6**

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

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

Disqualify the provider from receiving payments from any child care assistance program for the following lengths of time when the provider is found to have committed an IPV:

- One year for the first offense.
- Two years for the second offense.
- Permanently for any subsequent violation

You must inform the child care provider of their responsibilities and rights and of the penalties for intentional program violations. Failure to give a provider this penalty warning will lead to the dismissal of any ADH. The [Child Care Provider Responsibilities and Rights DHS-4079-ENG \(PDF\)](#) includes the penalty warning required for the ADH process.

If your county or tribe chooses to use an agency developed form for provider acknowledgement or authorization, you must include the penalty warning, and the responsibilities and rights listed in [Child Care Provider Responsibilities and Rights DHS-4079-ENG \(PDF\)](#). You must send any revised agency form to the Department of Human Services (DHS) for approval as part of your County and Tribal Child Care Fund Plan. Failure to include the penalty warning and the provider's responsibilities and rights on the county or tribal form will lead to the dismissal of any ADH process that your agency brings against child care providers accused of IPV by your county or tribe.

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

This disqualification is not appealable through an administrative hearing. The disqualification is only appealable through district or appellate court. The effective date of the disqualification period is the date of the IPV determination (a signed Disqualification Consent Agreement or Administrative Disqualification Hearing Waiver or court/Administrative Disqualification Hearing decision) or the effective date of the CCAP termination notices, whichever is later. The disqualification period for any child care assistance program must extend to all child care assistance programs and must be immediately applied. Record conviction and disqualification information and have copies of supporting documents (including conviction information) in the provider file.

LEGAL AUTHORITY

Minnesota Statutes 256.98

APPENDIX**16**

This chapter includes resources that are necessary or helpful in administering the Child Care Assistance Program. See the various topics below for more information:

- 16.1 CCAP Authorizations for Clients with an EP
- 16.15 Authorized Activities Comparison Sheet
- 16.18 Case Reviews
- 16.21 Recording Document Received Date
- 16.24 Override Reporting

LEGAL AUTHORITY

Minnesota Statutes 119B
Minnesota Rules 3400

AUTHORIZATIONS FOR CLIENTS WITH AN EMPLOYMENT PLAN**16.1**

An MFIP/DWP client is eligible for CCAP if the client meets all CCAP eligibility requirements. If a client meets CCAP eligibility requirements and has an Employment Plan, the amount of child care authorized must be based on the parents' schedule of participation in the activities identified in the Employment Plan, the child's school schedule, the provider's availability, and any other factors that would affect the amount of care that the child needs.

The amount of child care authorized should reflect the child care needs of the family and minimize the out-of-pocket child care costs to the family.

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

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

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

JOB COUNSELORS ROLES AND RESPONSIBILITIES

The job counselor is responsible for:

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

The job counselor is encouraged to:

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

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

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

The job counselor can use the [MFIP/DWP Employment Services Child Care Request \(PDF\)](#) (DHS-7054) or an agency created form to send information to the CCAP worker.

CCAP WORKER ROLES AND RESPONSIBILITIES

The CCAP worker is responsible for:

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

AUTHORIZATIONS FOR CLIENTS WITH AN EMPLOYMENT PLAN**16.1**

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

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

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

MONITORING AND AUTHORIZATIONS

The job counselor regularly determines if the participant is participating in the activities in the Employment Plan. They must take appropriate action when and if changes occur or an Employment Plan ends. Specific details about the status of employment plans and their active dates:

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

EMPLOYMENT PLANS AND CCAP OVERPAYMENTS

Participants may be charged with CCAP overpayments if:

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

AUTHORIZATIONS FOR CLIENTS WITH AN EMPLOYMENT PLAN**16.1**

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

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

LEGAL AUTHORITY

Minnesota Statutes 119B.05

Minnesota Statutes 119B.07

Minnesota Rules 3400.0080

OVERRIDE REPORTING**16.24**

Agencies are required to report override information when the total number of cases with overrides as a percentage of the total number of cases exceeds the 25% threshold.

DHS will inform agencies by September 30 of each state fiscal year of the range they fall within based on their override use. Agencies exceeding the 25% threshold for percentage of cases with overrides will randomly select the following number of cases for each month within the state fiscal year using the MG101 CCAP Eligibility and Service Authorization Override Report:

- Agencies with override use percentage greater than or equal to 75% are required to select and report on three cases monthly.
- Agencies with override use percentage less than 75% and greater than or equal to 50% are required to select and report on two cases monthly.
- Agencies with override use percentage less than 50% and greater than or equal to 25% are required to select and report on one case monthly.
- Agencies with override use percentage less than 25% are not required to report.

Agencies required to report should generate the MG101 Report for each reporting month and randomly select the number of required cases as identified above. Focus should be given to cases with override reasons that do not clearly indicate why the override was used. For example, override reasons such as "Other" and "System Override" do not clearly identify the reason why an override was used. Agencies should select cases not reviewed in previous months unless there are no other cases to select based on the MG101 Report.

Overrides are reported to DHS using the [Child Care Assistance Program Override Monitoring Form \(DHS-6804\)](#). A separate form must be completed for each case selected in each reporting month. Override monitoring forms must be submitted to DHS quarterly according to the following schedule:

- Monitoring forms for July, August, and September are due November 30
- Monitoring forms for October, November, and December are due February 28/29
- Monitoring forms for January, February, and March are due May 31
- Monitoring forms for April, May, and June are due August 31

Agencies must provide an explanation of the circumstances related to the use of all override reason(s) for each case. This explanation should not state the override reason(s) used in MEC² but should provide information about the situation in the case that required the override(s). The agency should also identify whether the override was appropriate or not. If the override was not appropriate, the case should be corrected.

In addition to completing DHS-6804, agencies should determine whether an overpayment or underpayment (if it is your agency's policy to issue underpayments) should be assessed on each case reviewed in which the override was done inappropriately.

If the MG101 Report shows that an agency required to report had zero overrides in a month, no documentation needs to be submitted to DHS for that month.

LEGAL AUTHORITY

Federal Child Care and Development Fund, 45 C.F.R. Parts 98 and 99
Minnesota Statutes 119B.02, Subd. 3