Chapter 1 Table of Contents

Adds new chapters (4.3.15), (4.3.15.3), (4.3.15.6) related to MFIP/DWP child care for student parents, (9.30) related to higher rates for quality for Parent Aware providers, (16.18) related to case reviews, and (16.21) related to county recording the dates documents are received.

Chapter 2 Glossary

Adds definitions for “discovery date,” “established date,” “lump sum,” “MFIP/DWP Child Care” and “MFIP/DWP child care for student parents,” “parent,” “Parentally Responsible Individual (PRI).”

Chapter 4 Eligibility Requirements

4.3 CCAP Sub-Programs
Adds a sentence “Examples include job search and educational activities.” to fourth paragraph, and new sub-chapters regarding MFIP/DWP child care for student parents are added.

4.3.6 Transition Year TY
Additions to the “students” section include adding age 22 to a college student example.

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

4.3.12.12 BSF Waiting List Management
Adds “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.”

4.3.12.15 BSF Portability Pool
Adds “The original county remains financially responsible for the family’s BSF child care for the unitary residency period of 2 full calendar months.” Adds MFIP/DWP child care for student parents section.

4.3.15 MFIP/DWP Child Care for Student Parents
New Chapter

4.3.15.3 MFIP/DWP Child Care for Student Parents – Authorized Activities
New Chapter

4.3.15.6 MFIP/DWP Child Care Student Parents – Subprogram Changes
New Chapter
4.3.16 Head Start Full Day Integrated Child Care Programs
Adds “Programs that operate a full day integrated model may submit the CCAP Integrated Full-Day Head Start Services Payment Application (DHS-5776) to determine if they meet the criteria of operating a full day integrated model.” AND “The programs that qualify for full day CCAP payment are kept on a list called programs that qualify on the Child Care Assistance Program CountyLink page under the heading “Guidance available for CCAP Children enrolled in Head Start.” Read the entire section for updates to the process.

4.12 Date of Eligibility
Adds a statement 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.”

Chapter 6 Income Eligibility

6.6 Earned/Unearned Income
Adds “RSDI may have gross and net amounts.” to the RSDI definition, and a new paragraph “Expenditures necessary to secure payment of unearned income are deducted from the unearned income. Sometimes, other deductions may be withheld from an unearned income source. These deductions must be verified and reviewed to determine if they are an allowable deduction for CCAP. An example is RSDI. The RSDI verification will identify a gross amount, if any deductions were withheld and the net amount. Usually, the gross amount of RSDI is the amount to be annualized. Refer to chapter 6.18 (Income Deductions) for information on income deductions that should be deducted from annual gross income.”

6.12 Excluded Income
Adds “SSI may have gross and net amounts.” to the SSI definition.

6.21 Family Copayment
Adds the links to the current and past two copayment schedules.

Chapter 7 Verification

7.3 Verification-Initial Application
Adds a new paragraph “Citizenship and immigration status of all children for whom child care assistance is being sought. A child who is participating in child care in a setting subject to public educational standards, such as in Head Start or a pre-kindergarten or school-age care program operated under public educational standards, is exempt from this requirement. See chapter 7.12(Verifying Citizenship and Immigration Status.)”

7.9 Income Verification
Updates this sentence “Bank Statements indicating interest paid on a specific account.”

7.12 Verifying Citizenship and Immigration Status
Adds “Approve an application when: The county can verify that any of the children for whom assistance is being sought or paid have an immigration status that meets requirements for child care assistance, the case should be opened and care authorized ONLY for the eligible children.”
7.30 Schedule Verification-Child’s School Schedule
Adds a 3rd bullet to Verification types “Case note with days and times of class and how the worker obtained the information.”

Chapter 9  Payments

9.3 Payments to Providers
Adds a bullet to “you may end a provider’s authorization if: “Your agency finds by a preponderance of evidence that the provider intentionally gave materially false information on the billing forms.” AND a new paragraph was added: “The county may withhold a provider’s authorization or payment for a period of time not to exceed three months beyond the time that the condition above has been corrected. The circumstances in which a county applies this policy should be included as an approved amendment to your County Child Care Plan.

9.24 Provider Rates
Adds the sentence “The maximum rates in place are based on provider survey responses within a particular county or survey responses within a group of counties.”

Maximum rates that can be paid vary according to the type of provider, the age of the child and the location where care is provided. See chapter 9.24.3 (Child Care Rates) for a link to the hourly, full-day, and weekly child care maximum rates. Authorize payment up to the county maximum rate, not to exceed the provider charge for all hours of child care authorized in the participant’s case.” AND “All changes to maximum provider rates will be implemented in MEC² the Monday following the effective date of the new rate.” AND “See chapter 9.27 (Higher Rates for Quality – Accreditation/Differential). See chapter 9.30 (Higher Rates for Quality – Parent Aware Rated Providers.)”

9.24.3 Child Care Rates, Registration Fees, Copayments
Adds new links to child care rates, copayment schedules AND “See chapter 14.6 for links to expired rates and expired copayment schedules.”

9.27 Higher Rates for Quality – Accreditation/Credential
Updates the section for early care and education child care centers, eligible for the 15% rate higher rate for quality.

9.30 Higher Rates for Quality – Parent Aware Rated Providers
This is a new chapter, adds the 15 and 20 % higher rate for quality for Parent Aware Rated Programs.

9.39 Care during Child Absences
Adds back 10 consecutive days, up to a total of 25 absent days in a calendar year, updates the exemption for documented medical conditions section to include children with documented medical conditions that cause more frequent absences, payment may be made for more than 25 absent days per calendar year and for more than 10 consecutive absent days. CCAP Medical Condition Documentation Form (DHS-4602) must be completed and returned to the county in order to be exempt from the absent day limits. Please review new section in its entirety.

9.42 Holidays
Adds that providers are also allowed to substitute cultural or religious holidays for the 10 recognized state and federal holidays when they notify the county before the holiday or within 10 business days after the holiday. Adds clarification that only ten holidays can be paid per year per child regardless of the number of providers attended.
Chapter 10  Redetermination of Eligibility

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

Chapter 11  Providers

11.9 Legal Nonlicensed LNL Providers
Adds: “First Aid and CPR courses may be counted in the additional 8 hours of required training but are not required. All courses offered by the Child Care Aware agencies, which are listed in the Registry by the Minnesota Center for Professional Development, qualify toward the 8 hours.” AND “Online components of First Aid and CPR training may qualify, except for the practical portion of CPR which is required in person. See Minnesota Statutes 245A.50 for further information. Counties should consult with county licensing staff about how to determine valid training for First Aid and CPR training requirements.” AND “Background study requirements for legal nonlicensed providers are aligned with the background study requirements for a licensed family child care provider.” AND “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.”

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

11.27 In-Home Child Care Provider information
Adds a sentence: “When requesting in-home child care, the parent must complete the “Parent Request for In-Home Child Care” DHS-6475 and submit the form with the appropriate documentation to their Child Care Assistance Worker.” Read entire section for added clarification about the request procedures.

Chapter 14  Overpayments

14.6 Amount of Overpayment
Adds: “If care took place prior to the effective date of the current standard maximum rates you should apply the expired maximum rates in effect at the time care was provided. Use expired rates only for overpayment
calculation and case review correction plans." Links to updated rates and copayment documents are provided, adds information about discovery date and established date of claim.

14.12 Fraudulently Obtaining CCAP
Adds: “Refer clients you suspect of fraud for investigation. For counties participating in the Fraud Prevention Investigation FPI program, use the Fraud Prevention Referral form DHS-3335A to make a referral for an FPI. For counties not participating in the FPI program, follow your county process to make a referral for possible client fraud investigation and use the Fraud Prevention Investigation Referral form DHS-3335A to notify the DHS Office of Inspector General OIG of the investigation. County processes for making referrals may include contacting your county's fraud investigator or investigative unit, your county attorney, and/or your local sheriff's department. Refer or notify the DHS Office of Inspector General OIG Child Care Provider Fraud Investigations Unit of providers you suspect of fraud. Some counties may have the resources to investigate provider fraud locally. However, all counties should use the Child Care Provider Investigations Communications Form DHS-6811 to inform the OIG of all child care provider investigations.” Read the entire chapter for further updated information.

14.12.3 Disqualification for Fraud-Families
Adds: “Disqualify the entire family from receiving benefits for the following lengths of time when a member or members of a family receiving child care assistance is found to have committed an IPV: 1 year for the 1st offense and 2 years for the second offense. Permanently disqualify for any subsequent violations”. Adds “court ordered stay which carries with it any other probationary terms or conditions.”

14.12.6 Disqualification for Fraud-Providers
Adds: “Court-ordered stay which carries with it any other probationary terms of conditions”. Adds: “Disqualify the provider from receiving payments from any child care assistance program for the following lengths of time when the provider is found to have committed an IPV: 1 year for the 1st offense. 2 years for the 2nd offense. Permanently disqualify for any subsequent violation.”

Chapter 16 Appendix

16.18 Case Reviews
New Chapter

16.21 Recording Document Received Dates
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GLOSSARY

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

Legal Authority:
Minnesota Rules 3400.0020, Subp. 4

ADMINISTRATIVE EXPENSES:
Costs associated with the administration of direct services covered by the child care fund. These include:

- Salaries, wages and related payroll expenses including those for direct personnel costs, expenses for general administration and supervision, secretarial, clerical, accounting and other support services.

- Travel, transportation and per diem or subsistence expenses.

- Materials and office supplies.

- Publication, telephone, postage, and photocopy costs.

- Others expenses directly attributable to the child care fund.

Legal Authority:
Minnesota Rules 3400.0020, Subp. 5

AGE OF CHILD:
Infant. See INFANT
Preschool. See PRESCHOOL
School Age. See SCHOOL AGE
Toddler. See TODDLER

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

Legal Authority: Minnesota Rules 3400.0020, Subp. 8
GLOSSARY

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 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 §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 §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)

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

BSF:
See BASIC SLIDING FEE PROGRAM.
GLOSSARY

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

CCAP:
Child Care Assistance Program.

CCAP FAMILY:
See FAMILY.

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

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

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

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

CHILD CARE FUND PLAN:
The county and designated administering agency shall submit a biennial plan to the commissioner of DHS. The plan shall include information requested by the department to ensure compliance with the child care fund statutes and rules promulgated by the commissioner.

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

Legal Authority: Minnesota Rules 3400.0020, Subp. 24

COUNTY BOARD:
GLOSSARY

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. Refer to section on Special Needs Rates. See §9.54 (Special Needs).

Legal Authority:
Minnesota Rules 3400.0020 Subp. 17a

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

DWP :
Diversionary Work Program. See §4.3.3.15 (DWP Overview).

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
Glossary

Child care services.
Legal Authority:
Minnesota Statutes 119B.011, Subd. 11

Eligible Relative Caregiver:
An eligible relative caregiver is a person who is the caregiver of a child receiving an MFIP or DWP child only grant. The relative caregiver may or may not be receiving MFIP. See §5.3 (Determining the CCAP Family), §5.9 (CCAP Family Composition Examples).
Legal Authority:
Minnesota Statute Section 256J.08, Minnesota Rule 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, section 256J.49, Subd. 5

Established Date:
The date the agency computes an overpayment. See §14.6 (Amount of Overpayment).

Excluded Time Facility:
A type of living arrangement which affects the determination of state residence and the county of financial responsibility. See 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. For information on how to determine CCAP Family, see §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.
- See the DHS Family Support Grant program website.

**FICA :**


**FULL CALENDAR MONTH :**

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

**HOUSEHOLD OF APPLICANT/PARTICIPANT/FAMILY :**

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

**HOUSEHOLD OF PROVIDER :**

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

**INCOME :**

Earned or unearned income received by ALL FAMILY members, including public
assistance cash benefits, at-home infant child care subsidy payments, and child support and maintenance distributed to or received by the family. See §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
GLOSSARY

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 §6.15.15 (Annualizing Lump Sum Income).

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

MEC:
Minnesota Electronic Child Care System.

MFIP:
Minnesota Family Investment Program. See §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 §4.3.3.3. (MFIP Overview).

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

PARTICIPANT: A person with an active CCAP case. This includes suspended and reserved cases.

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. *

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

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.

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

**PROVIDER RATE**

The amount the provider charges for child care.
Legal Authority: Minnesota Rules 3400.0020, Subp. 35

**PROVISIONAL AUTHORIZATION**

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

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

**RECOUPEMENT 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 §10 (Redetermination of Eligibility).

Legal Authority:
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:
The case remains active when the family is temporarily ineligible for assistance for a maximum of 90 days one academic semester/quarter, or until deactivated if a family has been receiving child care assistance but is temporarily ineligible due to increased income from active military service. Payments can not be made while a family is temporarily ineligible.

RESIDENCE:
The primary place where the family lives as identified by the applicant or participant.
Legal Authority: Minnesota Rules 3400.0020, Subp. 38A.

RSDI:
See RETIREMENT, SURVIVORS, AND DISABILITY INSURANCE.

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

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

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 disabled.**

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 disabled. **

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

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

Legal Authority:
Minnesota Statues 245A.02, Subd. 19
Minnesota Rules 9503.0005

SMI:
State Median Income.

SSI:
See SUPPLEMENTAL SECURITY INCOME.

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

Legal Authority:
Minnesota Rules 3400.0020, Subp. 40

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

SUSPENDED:
The family remains eligible up to 1 year if there are temporary breaks when child care assistance is not needed. See §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 §5.6 (CCAP Family – Temporary Absence).

Legal Authority:
Minnesota Rules 3400.0020, Subp. 40a

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:
GLOSSARY

Minnesota Statutes 119B.011, Subd.

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.
The Child Care Assistance Program (CCAP) has several sub-programs with differing eligibility criteria, and different allowable activities and authorized hours. This chapter provides information on each sub-program’s criteria, allowable activities and authorized hours.

MFIP/DWP, Transition Year (TY) and Transition Year Extension (TYE) are fully funded. This means all eligible families are served.

The Basic Sliding Fee (BSF) sub-program is a capped allocation program. This means that a specific amount of money is allocated to this program each year, and when all allocated funds have been spent or obligated, applicants are put on a waiting list rather than approved for receipt of child care assistance.

Participation in authorized activities is required for child care assistance eligibility. Authorized activities are, in general, employment and activities necessary for the family to prepare for, seek, and retain employment. Examples include job search and educational activities. See §4.6 (Employment and Training Requirements). Allowable activities and hours may vary by CCAP sub-program. Refer to the following sections of this chapter for specific information regarding each sub-program:

4.3.3  MFIP & DWP
4.3.3.3 MFIP Overview
4.3.3.6 Opting Out of MFIP Cash
4.3.3.9 MFIP Sanctions
4.3.3.12 MFIP Fraud Disqualifications & Convictions
4.3.3.15 DWP Overview
4.3.3.18 DWP Sanctions
4.3.3.21 MFIP/DWP Authorized Activities & Hours
4.3.6 Transition Year (TY)
4.3.6.3 TY Authorized Activities
4.3.9 Transition Year Extension (TYE)
4.3.9.3 TYE Authorized Activities & Hours
4.3.12 Basic Sliding Fee (BSF)
4.3.12.3 BSF Students
4.3.12.6 BSF Authorized Activities & Hours
4.3.12.9 BSF Priorities
4.3.12.12 BSF Waiting List Management
4.3.12.15 BSF Portability Pool
4.3.15 MFIP/DWP Child Care for Student Parents
4.3.15.3 MFIP/DWP Child Care for Student Parents – Authorized Activities
4.3.15.6 MFIP/DWP Child Care for Student Parents – Subprogram Changes

LEGAL AUTHORITY:
Minnesota Statutes 119B.011 to 119B.26
Minnesota Rules 3400.0040 – 3400.0090
Transition Year (TY) Child Care is available to families whose MFIP or DWP closes, and who meet other criteria provided below. Transition Year child care is not available to families who have been disqualified from MFIP or DWP due to fraud.

Families must have received MFIP or DWP for at least 3 of the 6 months prior to the closing of their cash assistance. For example, a family whose MFIP was closed effective December 1st would have to have received MFIP or DWP (or a combination of both) for at least 3 months in the period from June through November.

NOTE: Families who choose to “opt out” of the MFIP cash portion are still considered MFIP participants.

In most TY cases, families were receiving MFIP child care assistance before their cash assistance closed and continue to need child care assistance after cash assistance closing. Move these families from MFIP child care assistance to TY child care assistance. When there is no break in receipt of child care assistance:

- Do not require a new application.
- The family’s income must be at or below 67% of State Median Income (SMI) to be eligible for TY.

Former MFIP or DWP participants can apply for TY for up to 12 months after their cash assistance closes. In the example provided above, the family would be able to apply for TY through the following November, but their TY eligibility would end November 30th.

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

- If the family was eligible but did not need care during the break in receipt of child care assistance, the family’s income must be at or below 67% of SMI.
- If the family was not eligible during the break in receipt of child care assistance, the family’s income must be at or below 47% of SMI.

Consider the following examples:

1. MFIP closes 3/1 and family is eligible for continued child care assistance but has no child care needs at this time. MFIP child care is closed. Family applies for TY in July because they now have child care needs. All other eligibility factors remain the same.
TRANSITION YEAR (TY)

At the time of MFIP closing this family was eligible but had no child care needs. This may have been a family with school age children and there were no child care needs until summer. The TY case could have remained open with suspended status. If the county child care worker closed the child care case rather than suspend it, the TY case should be opened and the family is not required to meet the 47% SMI. Although there actually were interrupted services, the family continued to be eligible and has met the 47% SMI entry requirement in the first program of service (MFIP). The applicant would not need to meet 47% SMI entrance level income limit.

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

Because Transition Year may only be used to support employment and job search related expenses, this participant is not eligible for continued assistance through TY and could not be added to BSF because the county has a waiting list. The applicant would need to meet 47% SMI entrance level income limit when applying for TY in July because of interrupted services when the applicant was not eligible.

For payment purposes, retroactive eligibility cannot go back further than 6 months prior to the date the application was received by the county agency. Refer to the MEC² User Manual for instructions.

The family needs to cooperate with child support enforcement in order to approve eligibility for TY.

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

- Look at the previous 6 months. If the family received MFIP or DWP for 3 of those previous 6 months, the family qualifies for a new 12 months Transition Year Period.

- Look at the previous 6 months. If the family received MFIP or DWP for only 1 or 2 of those previous 6 months, the family is eligible for the remaining months of the original Transition Year period. Treat the month or months on MFIP as a suspension of the TY child care benefit but not a suspension of the Transition Year period.

Once families complete their 12 months of TY eligibility, move them to Basic Sliding Fee
(BSF) child care if:

- They remain eligible.

- Your county has BSF funds available.

- Your county does not have any higher priority families on the waiting list.

**TRANSITION YEAR AND WAITING LIST REQUIREMENTS**

If your county does not have BSF funds available at the end of a family’s transition year, move the family to Transition Year Extension (TYE) and add them to your BSF waiting list as 2nd priority.

Transition Year families are placed on the waiting list and should be reported on the waiting list the date their Transition Year period ends. Their effective date for the waiting list is the date they first became eligible to apply for TY.

- If a TY family moves to a new county, the family’s effective date for the waiting list in the original county shall transfer with the family.

- If a TY family is eligible for TY child care but does not need child care for a period of up to 1 year, the family retains their effective date for the waiting list and is added to the 2nd priority waiting list at the end of their transition year.

**STUDENTS**

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

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

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

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

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

A full-time student retains full-time status during school breaks, including summers, if the student is expected to return to school full time after the break.

LEGAL AUTHORITY:

Minnesota Statutes 119B.011
Minnesota Statutes 119B.06, subd. 1
Minnesota Statutes 119B.09
Minnesota Rules 3400.0060, subd. 7
Minnesota Rules 3400.0090
BSF PRIORITIES

Each county receives an annual capped allocation for Basic Sliding Fee (BSF) child care assistance. When funding is not available, establish a written record of applicant families who would be eligible if funding was available. Sort the list by the priorities provided below.

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

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

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

2nd Priority
Transition Year families are placed on the waiting list effective the date their Transition Year (TY) period ends, however their effective date for the waiting list is the date they first became eligible to apply for TY. If the family moves, their waiting list date transfers with them. If their name reaches the top of the waiting list before TY ends, continue TY and encumber BSF funds for the months remaining in the allocation period. Use the encumbered funds when TY ends.

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

Move TY families into BSF child care as soon as possible after completion of TY. If the family’s name doesn’t reach the top of the waiting list by the end of TY, transfer the family to Transition Year Extension (TYE) until BSF funding becomes available. The family retains their TY waiting list date after moving to TYE.
Also give 2\textsuperscript{nd} priority to families who receive less than 3 months of DWP benefits. These families are not eligible to receive TY child care, but are 2\textsuperscript{nd} priority for BSF.

3\textsuperscript{rd} Priority
Families who are eligible for portability pool BSF assistance. Families remain in this priority even if their portability pool assistance ends. See §4.3.12.15 (BSF Portability Pool). Report families in this priority starting with the month that they become eligible for portability pool funding. The family’s effective date on the waiting list should be the date of the family’s move.

4\textsuperscript{th} Priority
Families in which at least 1 parent is a veteran as defined under Minnesota Statutes section 197.447. A veteran is a US citizen or resident non-citizen separated under honorable conditions from any branch of the US armed forces after:

- Serving on active duty for 181 consecutive days.
  OR
- Incurring a disability while serving on active duty.
  OR
- Meeting the minimum active duty requirement.
  OR
- Has active military service certified a discharge under honorable conditions.

5\textsuperscript{th} Priority
All other eligible families, the county may set priorities within this category. Check your County’s Child Care Fund Plan. For the definition of Child Care Fund, see §2 (Glossary).

LEGAL AUTHORITY:
- Minnesota Statutes 119B.03
- Minnesota Statutes 119B.011
- Minnesota Rules 3400.0060
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 §4.3.12.9 (BSF Priorities).

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

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

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

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

LEGAL AUTHORITY:

Minnesota Statutes 119B.03
Minnesota Rule 3400.0035
Minnesota Rule 3400.0060
Minnesota Rule 3400.0040
The Basic Sliding Fee (BSF) portability pool assists families who move from one county in which they were receiving BSF services to another county which has a waiting list.

Families who move are required to notify their new county. If the family was receiving BSF in the previous county, the family must notify the new county of the move within 60 days of the move in order to receive portability pool funding. The original county remains financially responsible for the family’s BSF child care for the unitary residency period of 2 full calendar months. A family who moves on or after the 1st day of a month is considered a participant in the original county for that month. The 2 calendar month period would start on the 1st day of the next month. See §8.12 (Moving Between Counties) for information regarding a second move after the initial move has been reported. If a family does not notify their new county within 60 days of the move, they are not eligible for portability pool funding.

When a family notifies the new county of a move:

1. Determine if the family continues to meet income and eligibility criteria for BSF. As long as there has not been an interruption in eligibility, apply the 67% State Median Income (SMI) income exit criteria. (If there has been an interruption in eligibility, for example, the family does not report the move for several months, the family is not eligible for portability pool. The agency should treat the family as a new applicant.)

2. If the family is eligible for portability pool funding, add the family to the waiting list at the highest priority that applies, but no lower than the 3rd priority, effective the date of the move. If the family is not eligible for portability pool funding, the family would be eligible for BSF if funding were available, the family should be listed in the highest priority that applies, effective the date of contact to the new county. The family is not eligible to be listed in the 3rd priority.

3. If the family is eligible for portability pool funding, continue BSF child care assistance for the lesser of:
   - 6 months funded through the portability pool (beginning at the end of the 2 full calendar months after the move).
   OR
   - Until the date your county has the funding necessary to provide regular BSF to the family.

Allow students with post-secondary education plans to follow the original education plan during the portability pool time period. When the family is able to use your county’s BSF, apply your county’s criteria for education plans, as identified in the approved county Child
Care Plan.

If the new county does not have funds available to continue BSF assistance at the end of the 6-month portability pool period, end child care assistance. If funds become available after the family’s child care assistance has been terminated due to the end of the portability pool period, the family must be treated as a new applicant and must have a household income that meets the income requirements in Chapter 6 (Income Eligibility). When funds become available to serve priority three families, serve the families who have been on the priority three waiting list, the longest first.

If after an initial reported move, the family moves again to a new county while they are receiving portability pool funding and the new county has a BSF waiting list, the family continues to be eligible for portability pool funding through the original end date of their portability pool period or until the date the new county has the funding necessary to provide regular BSF to the family. The family is not eligible for a new 6 month portability pool period.

MFIP/DWP CHILD CARE FOR STUDENT PARENTS
When a family moves from one county where they were receiving BSF to another county that has a waiting list and at least one parent in the family is under age 21 and pursuing a high school or general equivalency diploma, the family must notify the new county within 60 days of the move. The family will receive MFIP/DWP child care for student parents after the unitary residency period if eligibility requirements are met, rather than portability pool funding. See §4.3.15 (MFIP/DWP Child Care for Student Parents) and §4.3.15.6 (MFIP/DWP Child Care for Student Parents – Subprogram Changes).

LEGAL AUTHORITY:
- Minnesota Statutes 119B.03
- Minnesota Statutes 119B.05
- Minnesota Statutes 119B.09
- Minnesota Rules 3400.0060
To be eligible for MFIP/DWP child care for student parents, the parent must meet all of the following requirements:

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

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

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

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

**AGE REQUIREMENTS**

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

**INCOME REQUIREMENTS**

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

**WAITING LIST REQUIREMENTS**

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

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

**LEGAL AUTHORITY:**

Minnesota Statutes 119B.011, subd. 19b
Minnesota Statutes 119B.06, subd. 1
In order to be eligible for MFIP/DWP child care for student parents the parent must be pursuing a high school or general equivalency diploma (GED). The parent must have a county-approved education plan for their high school or GED pursuit.

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

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

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

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

LEGAL AUTHORITY

Minnesota Statutes 119B.011 Subd.19b
Minnesota Statutes 119B.03 Subd.4
Subprogram changes related to MFIP/DWP child care for student parents are described below.

**MFIP/DWP CHILD CARE FOR STUDENT PARENTS TO BSF**
As soon as BSF funding becomes available, families receiving MFIP/DWP child care for student parents must be approved for BSF child care if eligibility requirements are met.

**MFIP/DWP CHILD CARE FOR STUDENT PARENTS TO MFIP/DWP**
When a family receiving MFIP/DWP child care for student parents begins receiving MFIP or DWP, the family should be approved for MFIP/DWP child care if eligibility requirements are met.

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

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

**LEGAL AUTHORITY:**
Minnesota Statutes 119B.011, subd. 19b
HEAD START FULL DAY INTEGRATED CHILD CARE PROGRAMS

Head Start enrolled children are eligible for CCAP payments for child care hours outside of the Head Start hours. In some cases Head Start enrolled children may be eligible for full day CCAP payments that include the Head Start hours, when Head Start and Child Care programs operate a full day integrated model.

A Head Start and Child Care full day integrated program model may operate in a Head Start facility, a child care center, or a licensed family child care provider home that provides Head Start services for at least eight hours per day in one facility.

The Department of Human Services, in conjunction with the Department of Education, has developed an approval process for full day Head Start Programs. Programs that operate a full day integrated model may submit the CCAP Integrated Full-Day Head Start Services Payment Application (DHS-5776) to determine if they meet the criteria of operating a full day integrated model.

The programs that qualify for full day CCAP payment are kept on a list called programs that qualify on the Child Care Assistance Program CountyLink page under the heading “Guidance available for CCAP Children enrolled in Head Start”. This list is kept up to date and available to counties so that county staff knows which payment principles to apply when authorizing care to a CCAP eligible child who is also enrolled in Head Start. See §9.9 (Determination of Payment Amounts).

Steps to determine if a CCAP eligible child enrolled in Head Start is eligible for full day services

1. Determine if the CCAP eligible child is also enrolled in Head Start. This may be based on information from the application, family or child care provider/program.

2. Determine which hours the child attends the Head Start Program.

3. Determine if the program is operating as an integrated full-day Head Start program:
   
   A. Check CountyLink child care assistance program resource page for a list of Head Start programs that are approved for full day CCAP payments.

   B. If the program is on this list, CCAP payment is based on the hours that the child attends the program and meets CCAP eligibility requirements, including hours that the child attends Head Start.
C. If the program is not on the list, CCAP payment is based on the hours that the child attends the program and meets CCAP eligibility requirements, minus the hours that the child attends Head Start*.

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

**MFIP/DWP**

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

- Retroactive eligibility cannot go back further than 6 months prior to the application date.

- Approve eligibility for participants in employment services beginning the later date of:
  - The date of commencement of the services.
  - OR
  - The date of MFIP or DWP eligibility.

**TRANSITION YEAR (TY)**

- Approve eligibility the 1st day of the month after the family loses eligibility for MFIP or DWP if the family is eligible. Make child care payments retroactive to this date if the family has maintained eligibility during the entire time period. Payments of child care assistance may only be made retroactive for a maximum of 6 months from the CCAP application date.

- A family with verifiable continued CCAP eligibility does not need to meet the income entry requirement.

**TRANSITION YEAR EXTENSION (TYE)**

- Approve eligibility the date the family completes their Transition Year child care and is eligible for, but are on a waiting list for Basic Sliding Fee.
DATE OF ELIGIBILITY 4.12

BASIC SLIDING FEE (BSF)

Approve child care assistance beginning the later date of:

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

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

LEGAL AUTHORITY:

Minnesota Rules 3400.0040
Minnesota Statutes 119B.09
Earned income is a payment a family member had to expend individual effort or labor to receive. Examples are:

- Wages/salaries (including overtime and bonuses if ongoing).
- Paid vacation or sick leave.
- Uniform, mileage and meal allowances if federal income tax is deducted from the allowance.
- Fair market value of housing if housing is provided as part of total work compensation.
- Tips/gratuities.
- Self-employment income.
- Commissions.
- Incentive payments from work or training programs.
- Jury duty pay.

Gross earned income is income from employment prior to any payroll deductions. Gross earned income includes such things as 401K contributions, all insurance premium payments on the pay stub and pre-tax medical/dental accounts. Refer to §6.18 (Income Deductions) for information on income deductions that should be deducted from annual gross income.

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

- Cash portion of MFIP.
- Work Benefit (WB).
- DWP.
- Relative Custody Assistance.
- Adoption Assistance basic maintenance and supplemental needs payments.
• Interest or dividends.

• Unemployment Compensation.

• Disability insurance payments.

• Insurance payments or settlements.

• Veteran benefits.

• Pension payments.

• Child or spousal support, medical or child care support which is not assigned to the state.

• Retirement, Survivors, Disability Insurance (RSDI). RSDI may have gross and net amounts.

• Severance payments.

• Lump sums such as insurance settlements, court settlements and child support arrears.

• The amount of scholarships, work study income and grants that exceeds the amount used to cover costs or reimburse for tuition, fees, books and education supplies.

• The amount of student loans that exceeds the amount used for tuition, fees, books, supplies and living expenses.

Expenditures necessary to secure payment of unearned income are deducted from the unearned income. Sometimes, other deductions may be withheld from an unearned income source. These deductions must be verified and reviewed to determine if they are an allowable deduction for CCAP. An example is RSDI. The RSDI verification will identify a gross amount, if any deductions were withheld and the net amount. Usually, the gross amount of RSDI is the amount to be annualized. Refer to §6.18 (Income Deductions) for information on income deductions that should be deducted from annual gross income.
LEGAL AUTHORITY:
  Minnesota Statutes 119B.09
  Minnesota Statutes 119B.011
  Minnesota Rules 3400.0170
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Exclude the following types of income. All excluded income must be verified. See §7.9 (Income Verification).

- Supplemental Security Income (SSI). SSI may have gross and net amounts.
- Earnings and payments to individuals participating in programs under Title 1 of the Workforce Investment Act.
- Scholarships, work study income and grants that cover costs or reimburse for tuition, fees, books and educational supplies.
- Student loans for tuition, fees, books and living expenses.
- State and Federal earned income tax credits.
- State and Federal income tax refunds.
- In-kind income such as (SNAP) Supplemental Nutrition Assistance Program (including the food portion of MFIP), Energy Assistance, Foster Care, Medical Assistance, Child Care Assistance and housing subsidies.
- Grants from the Family Subsidy Program. For the definition of the FAMILY SUBSIDY PROGRAM, see §2 (Glossary).
- Non-recurring lump sum income to the extent that it is earmarked and used for the purpose for which it is intended.
- Earned income for full time or part time students up to the age of 19, who have not earned a high school diploma or general equivalency diploma (GED). This includes earnings from summer employment when the family member is not actually attending school, as long as the student intends to return to school the following year.
- Child support and spousal maintenance, medical support and child care support which is assigned to the State.
- Assistance specially excluded as income by other laws, including but not limited to AmeriCorps.
- Payments made by a source other than the family of part or all of the family’s child care expenses not payable under the CCAP if the funds are paid directly to the
family’s child care provider on behalf of the family.

LEGAL AUTHORITY:

Minnesota Statutes 119B.011
Minnesota Rules 3400.0170
Child care assistance families are required to pay the family copayment fee. When a family fails to pay the required family copayment fee, the family is ineligible for child care assistance until:

- The fees are paid.
- The family reaches an agreement for payment with the provider and the county.
- The family continues to comply with the payment agreement.

The copayment amount is based on family size and annual income after allowable deductions. It is the provider’s obligation to collect or waive copayments.

Some providers apply the amount paid by the family to the oldest fees or to the amount that is more than the county maximum rate. In these cases, the provider considers the copayment not to have been paid and may indicate this on the billing voucher. Consider the family to have met their requirement if the family is able to document that an amount has been paid that is equal to or greater than their copayment.

If someone outside the family pays the copayment on behalf of the family, or the provider waives the copayment, the provider must keep a record of these transactions. Do not consider this as income for the family. Consider the family’s copayment requirement to have been met.

Copayments are graduated to provide movement of families to full payment of child care costs as their income increases.

During the 1st bi-weekly period of eligibility, MEC\(^2\) will prorate the copayment based on the number of calendar days left in the biweekly copayment period.

When family income increases, or the family receives a lump sum resulting in an increased copayment, provide a 15-day notice of adverse action to the family and provider. Make the increased copayment effective with the biweekly copayment period after the 15 day notice period.

For the Bi-Weekly Copayment Schedules, click on the applicable State Fiscal Year (SFY) time period:
FAMILY COPAYMENT

BI-WEEKLY COPAYMENT SCHEDULES effective October 14, 2013: DHS-6413B

BI-WEEKLY COPAYMENT SCHEDULES effective October 1, 2012 through October 13, 2013: DHS-6413A

BI-WEEKLY COPAYMENT SCHEDULES effective October 3, 2011 through September 30, 2012: DHS-6413

Contact your agency’s Technical Assistance Liaison at DHS for previous copayment schedules.

LEGAL AUTHORITY:
   Minnesota Statutes 119B.12
   Minnesota Rules 3400.0100
Verify the following eligibility requirements at ALL initial child care applications.

- Identity of all members of the household.
- Presence of the minor child in the home, if questionable.
- Relationship of minor child(ren) to the parent, stepparent, legal guardian, eligible relative caretaker, or the spouses of any of the foregoing.
- Age of the child(ren) in the family.
- Age of the applicant if he or she is under 21.
- Social Security Number, if given. The county MUST request Social Security Numbers from all applicants for child care assistance. A county must NOT deny child care assistance solely on the basis of failure of an applicant to provide a social security number. Before asking for the social security number, the county must give the applicant the Minnesota Department of Human Services Notice of Privacy Practices (DHS-3979), which explains whether the disclosure is mandatory or voluntary; under what authority the number is being requested; and how the number will be used.
- Income and Income Deductions. See §7.9 (Income Verification).
- Spousal support and child support payments made to persons outside the household.
- Residence. The family must verify their address. Mail may be used to verify residence. This does not include a P.O. Box as a standalone address. Mail addressed to a P.O. Box may not be used to verify residence. Any form of mail provided by the client that shows their current name and address may serve as adequate proof of residence. A forwarding address sticker received at the administrating agency from the US Postal Service cannot be considered verification of residence for CCAP.
- Inconsistent information, if related to eligibility.

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

- Employment and/or education status of adult family members including employment
and/or class schedule must be verified. See §7.27 (Schedule Verification – Employment and Education).

- School schedule for every child who needs child care and attends school must be verified. See §7.30 (Schedule Verification – Child’s School Schedule).

- Citizenship and immigration status of all children for whom child care assistance is being sought. A child who is participating in child care in a setting subject to public educational standards, such as in Head Start or a pre-kindergarten or school-age care program operated under public educational standards, is exempt from this requirement. See §7.12 (Verifying Citizenship and Immigration Status).

LEGAL AUTHORITY:

Minnesota Rules 3400.0040
Minnesota Statutes 119B.025
Verify all sources of income, including excluded income, prior to approving or denying eligibility, or continuing to authorize child care assistance. Request documentary evidence from the applicant that proves when, what type and the amount of income a family member receives. An MFIP/DWP Employment Plan is not documentary evidence and cannot be used as verification of income.

All income must be verified using the most current 30 days of verification, excluding child support tracked through PRISM. For child support tracked through PRISM, the last six months of information is required. If the worker does not follow these standards, they must case note why they deviated from the standard and what and how verification is used to support the income components required in the calculation of annualized income.

If the applicant or recipient cannot provide an actual document, ask him or her to provide a release of information signed by the family member receiving the income allowing you to contact the source of the income directly. A client statement cannot be used to verify income except in two circumstances:

1. Self-employment income: If existing verification is insufficient to accurately predict self-employment income (for example in the start-up phase of self-employment) a client statement may be used to verify self-employment income. When child care is authorized based on estimated income, inform the parent of possible overpayments if the estimated income used does not reflect the actual income earned. The worker must request verification and a redetermination of eligibility must be done within the following three months. The worker should reconcile the information provided on the verifications with the original self-declaration of income. Workers should act on the new information if the differences affect the copayment amount, authorized hours and/or eligibility and assess any overpayment. Workers should also act on underpayments if the county has identified in the County Child Care Plan that they make corrective payments.

2. Child support income: In cases where there is a previously agreed upon child support arrangement and the absent parent refuses to sign a verification of payment, the applicant may self-declare child support income during the initial application but must agree to cooperate with child support enforcement by completing the required paperwork. The self-declared child support received is included in the annualization of income.
EARNED INCOME

Ask first if the applicant or recipient has paycheck stubs for the most current 30 days that specifically identify the number of hours worked, gross income based on those hours, payroll period covered, client and employer name. If the person with earned income has some but not all of the paycheck stubs for the most current 30 days, use the paycheck stubs provided and look at year to date totals to determine if you can use year to date totals to gather the necessary information for the missing paycheck stubs. If something other than the most current 30 days is used to calculate the income components, the worker must case note what was used and how it was used to determine the income components.

If paycheck stubs are not available, or do not contain all the necessary information, ask the applicant or recipient to provide a letter from the employer on company letterhead with the necessary information. If an employer statement is used as verification, the worker must request paycheck stubs for the most current 30 days as soon as they become available and reconcile the information on the employer statement to the information on the paycheck stubs. Workers should act on the new information if the differences affect the copayment amount, authorized hours and/or eligibility and assess any overpayment or act on any underpayment (if the county reimburses underpayments).

SELF-EMPLOYMENT INCOME

Documentation of self-employment income must meet the following criteria:

- Ask for books and tax statements, if available, providing gross receipts and expenses from self-employment income.

- Self-employment business income records must be kept separate from the family’s personal income records.

- At application, if business records and personal records are not separate, ask the parent to separate income records and resubmit according to CCAP requirements.

- If existing verification is insufficient to accurately predict self-employment income (for example in the start-up phase of self-employment) a client statement may be used to verify self-employment income. When child care is authorized based on estimated income, inform the participant of possible overpayment if the estimated income used does not reflect the actual income earned.

- If self-employment income is estimated at application, the worker must request
verification and redetermination of eligibility must be done within the following three months. The worker should reconcile the information provided on the verification with the self-declaration of income. Workers should act on the new information if the differences affect the copayment amount, authorized hours and/or eligibility and assess any overpayment or act on any underpayment if the county reimburses underpayments.

- When the federal income tax return has been filed, which reflects the current self-employment activity, review the tax records and compare with the income amount used for calculating child care eligibility in the corresponding tax year. If the current self-employment activity is not reflective of the previous year’s tax statement, adjustments must be made in the amount used for future authorizations.

- If a self-employed person believes that they should not be subject to the federal minimum wage, the county should work with the applicant or client to identify the correct applicable amount. If a self-employed person believes that they should not be subject to the federal minimum wage but verification is not available, accept a statement from the person that states that they are not subject to that amount and the reason why.

**UNEARNED INCOME**
All unearned income must be verified using the most current 30 days of verification, excluding child support tracked through PRISM. For child support tracked through PRISM, the last six months of information is required. For child support that is not tracked through PRISM require the most current 30 days of verification. If something other than the most current 30 days of verification (or six months for child support tracked through PRISM) is used to calculate the income components, the worker must case note what was used and how it was used to determine the income components.

Examples of acceptable documentation of unearned income include but are not limited to:

- Court documents providing child support and/or spousal maintenance amounts.

- Documentation from the Child Support and Collections office. In cases where there is a previously agreed upon child support arrangement and the absent parent refuses to sign a verification of payment, the applicant may self-declare child support income during the initial application but must agree to cooperate with child support enforcement by completing the required paperwork. The self-declared child support received is included in the annualization of income.
INCOME VERIFICATION

- Award letters from the Social Security Administration, the Veterans’ Administration, etc.

- PRISM or INFC/SVES screen prints (see §7.24 DHS System Verification).

- Bank Statements indicating interest paid on a specific account.

- Copies of checks for pensions, trust funds, annuities, unemployment compensation, etc.

- Cash settlements/awards/winnings may be verified through copies of the “letters of award” or court order or other applicable items.

- Financial aid award letter.

INCOME DEDUCTIONS

Require verification of the amount and type of expense. The following are examples of acceptable verification:

- Payroll deductions as indicated on the pay stubs. Request consecutive pay stubs to verify that the deduction is ongoing.

- Copy of invoice and receipt of payment from an insurance company. The documentation provided must verify the amount and type of expense covered.

- Copy of current invoice for Minnesota Care premiums.

LEGAL AUTHORITY:

Minnesota Statutes 119B.025
Minnesota Rules 3400.0170 Subp. 1
People who report that they are not United States citizens may have several factors that require verification. Non-citizens will generally have 1 of 2 forms (I-551 or I-94) that indicate current immigration status and the date it was attained.

Only citizenship and immigration status of the children for whom child care assistance is being sought is relevant for authorizing care for child care assistance. When child care is provided in a setting subject to public educational standards, such as Head Start or a pre-kindergarten or a school-age care program operated under public educational standards, do NOT verify citizenship and immigration status.

You must verify the child’s immigration status if the child care is provided in a setting that is not subject to public educational standards.

NOTE: An expired immigration document is NOT acceptable verification of current status. Do not assume that an expired document is an indication that the immigration status has changed or that the person should be considered undocumented. Verification of current immigration status for the children for whom child care assistance is sought is mandatory when child care is not provided in a setting subject to public educational standards and eligibility does not exist until it is received. Obtain a signed release of information to contact U.S. Citizenship and Immigration Services (USCIS) to verify the child’s immigration status.

Refer to the Guide to Non-citizen Eligibility for Cash and Food Support (DHS-4864-ENG) for further guidance on identifying immigration documents and determining immigration status.

Deny a family’s application for child care assistance or terminate a family’s child care assistance when:

• The setting where child care will be or is being provided is not subject to public educational standards (such as a Head Start or a pre-kindergarten or a school-age care program operated under public education standards).
  AND
• The county cannot verify that ANY of the child(ren) for whom assistance is being sought or paid meets immigration status requirements for child care assistance.

Approve an application when:

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

LEGAL AUTHORITY:

Minnesota Rules 3400.0040
Minnesota Statutes 119B.025
Verification of the school schedule is required for every child who needs child care and attends school. Verification is needed at application, redetermination, when there is a change in the child’s school schedule, and when the child moves to a new school. The verification must show the start and end times of classes. If start and end times differ by day of the week, the verification must show the start and end times by day of the week. The verification does NOT need to include the child’s name. Worker obtained verification of the school schedule is acceptable.

MFIP/DWP FAMILIES WITH AN APPROVED EMPLOYMENT PLAN
For MFIP or DWP families with an approved Employment Plan, verification of the child’s school schedule is not required if the Employment Services worker has indicated what the child’s school schedule is OR what days and times that child care is needed, taking into account the child’s school schedule. The CCAP worker does not need to ensure that the Employment Services worker 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
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Make payments to providers, unless the provider cares for children in the children’s own home. Care provided in the child’s home must be approved by DHS. Payment must be made directly to the family when care is provided in the child’s home. This applies whether the provider is licensed or legal nonlicensed. See §9.6 (Payments to Families).

You must:

- Make payments at least monthly.

- Make payment no later than 30 days after receipt of the bill when the provider submits a bill for services within 10 days after the last date of service.

- Provide notice to both the family and provider of the payment amount, and how and when the payment will be made.

Pay the provider (or parent, if care in the home is approved) after the provider is authorized by the county, retroactive to the later of the date that:

- Child care was authorized to begin. OR

- The family became eligible. See § 4.12 (Date of Eligibility). OR

- The family began using a licensed provider OR the family began using a Legal Nonlicensed provider and the provider completed training required. See §11.9 (Legal Nonlicensed (LNL) Providers).

If a provider has received an authorization of care and been issued a billing form for an eligible family, the billing form must be submitted within 60 days of the last date of service on the bill. You may pay a bill submitted more than 60 days from the last date of service (but less than 1 year) if the provider shows good cause for the delay. Good cause is defined in your County Child Care Plan, and it must include county error.

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

Do **NOT** pay a bill submitted more than a year after the last date of service on the bill.

Do **NOT** require participants to pay providers in advance of receiving payment from the child
care fund as a condition for receiving child care assistance.

Licensed family child care providers and their employees and legal nonlicensed child care providers and their employees are NOT eligible to receive child care subsidies for their own children or children in their family during the hours they are providing child care or being paid to provide child care. They are eligible to receive child care assistance subsidies for their children when they are engaged in other authorized activities, as long as the hours do not overlap with the hours they provide or are being paid for providing child care services. This does not apply to child care centers and their employees.

You may end a provider’s authorization stop payment issued to a provider, or refuse to pay a bill submitted by the provider if:

- The provider admits to intentionally giving materially false information on the billing forms.
  
  OR
  - Your agency finds by a preponderance of evidence that the provider intentionally gave materially false information on the billing forms.
    
    OR
    - The provider violates CCAP rules, until the violations have been corrected.
      
      OR
      - The provider submits false attendance reports or refuses to provide attendance records upon request.
        
        OR
        - The provider gives false child care price information.
          
          OR
          - The provider is operating with a suspended or revoked license, or has been issued licensing orders that affect the health and safety of children in care due to the nature, chronicity, or severity of the licensing orders. Consult DHS staff if your county is considering use of this provision to stop paying a provider.

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

Receipt of federal, state or local funds by a child care provider either directly or through a
child care assistance recipient does NOT establish an employee-employer relationship between the provider and the county or state.

**PROVISIONAL PAYMENTS**

After a county receives a completed application from a legal nonlicensed (LNL) provider, the county may choose to issue provisional authorization and payments to the provider during the time needed to determine whether to give a final authorization to the provider. See §2 (Glossary) for the definition of provisional authorization and provisional payments. Check your County Child Care Plan to see if your county has chosen this option.

If a provisionally authorized LNL provider does not receive final authorization by the county:

- Send notice to terminate provisional authorization and payment to the provider.
- Send a notice of adverse action to notify the family using the ineligible provider that they must choose a new provider to continue to receive child care assistance.

A provider’s failure to receive final authorization does not cause payments made during the provisional authorization to be overpayments.

**LEGAL AUTHORITY:**

- Minnesota Statutes 119B.09
- Minnesota Statutes 119B.13
- Minnesota Rules 3400.0110
- Minnesota Rules 3400.0185
- Minnesota Statutes 119.125
The Department of Human Services conducts a statewide child care provider rate survey. All licensed family child care providers and licensed child care centers and licensed school age care programs are included in the survey. The resulting information is compiled and used by the Department of Human Services (DHS) and legislators to consider changes to the maximum rates. The maximum rates in place are based on provider survey responses within a particular county or survey responses within a group of counties.

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

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

Apply the age categories for children in family child care (Licensed/Legal Non-Licensed) and child care centers (Licensed/License Exempt Centers). See §2 (Glossary) under infant, toddler, preschool and school age for these age categories.

Use the maximum rates in the provider’s county of residence. If the provider lives outside of the State of Minnesota, use the maximum rate in the participant’s county of residence.

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

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

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

EXTENDED KINDERGARTEN PROGRAMS: The program must be:

- An optional program.
- Operated in conjunction with a free kindergarten program.
- Part of the community education program.
- Charging a sliding fee to all families, based on family income.
CCAP funds may be considered for extended kindergarten programs that meet the above criteria.

Use child care assistance funds for payment of the extended kindergarten programs if it is accounted for within the district’s Community Service Fund. If the district provides full-day kindergarten that is not part of community education and there is no fee charged to the family, they cannot charge a fee to CCAP. Request a copy of the school’s sliding fee scale and a statement from the school district that they are not waiving fees for non-CCAP families that have children in the optional extended kindergarten program.

LEGAL AUTHORITY:
   Minnesota Statutes 119B.13
   Minnesota Rules 9502 & 9503
CCAP MAXIMUM RATES

- Minnesota Child Care Assistance Program table listing the maximum rates that Family Child Care /LNL and Child Care Center providers without a quality designation can be paid.

  Minnesota Child Care Assistance Program Standard Maximum Rates - No Quality Differential (Effective February 3, 2014) [DHS-6441B-ENG](#).

- Minnesota Child Care Assistance Program table listing the maximum rates that accredited, credentialed and 3-star Parent Aware rated Family Child Care/LNL and Child Care Center providers can be paid.

  Minnesota Child Care Assistance Program 15 Percent Quality and 3 –star Parent Aware Differential Maximum Rates (Effective February 3, 2014). [DHS-6442B-ENG](#)

- Minnesota Child Care Assistance Program table listing the maximum rates that 4-star Parent Aware rated Family Child Care and Child Care Center providers can be paid.

  Minnesota Child Care Assistance Program 20 Percent and 4 –star Parent Aware Quality Differential Maximum Rates (Effective February 3, 2014). [DHS-6824-ENG](#)

REGISTRATION FEES

- Minnesota Child Care Assistance Program table listing the maximum registration fees that a provider can charge for CCAP.

  Minnesota CCAP Maximum Child Care Registration Fees (Effective November 28, 2011- current). [DHS-6443-ENG](#)

COPAYMENT SCHEDULES

- Minnesota Child Care Assistance Program tables listing the copayment fees based on family size and income after allowable deductions.

  Minnesota Child Care Assistance Program Copayment Schedules (Effective October 14, 2013-current). [DHS-6413B-ENG](#)

See §14.6 for links to expired rates and expired copayment schedules.
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.

A licensed family child care provider or legal non licensed 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), or degree.
- A diploma in child development from a Minnesota state technical college.
- 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.

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 non licensed providers that do not hold one of the above credentials are NOT eligible for the higher rate. Licensed family child care providers and legal non licensed providers that hold a credential other than the ones listed above are NOT eligible for the higher rate.

Early care and education child care centers with the following accreditations are eligible for the 15 percent higher rate for quality:

- Accredited Professional Preschool Learning Environment (APPLE), offered by the Florida Association for Child Care Management (FACCM)
- 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
- 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
9.27

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)

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 non licensed 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 (DHS-6442A-ENG).

If a county 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 county who discovered the error should contact all other counties where the provider is registered. If the provider received payment at a higher rate than allowable, over payments must be assessed according to CCAP overpayment policies. See §14 (Overpayments). The Department of Human Services (DHS) has developed an Accreditation Rate Request Form (DHS-4795) that providers may use when requesting the higher rate.

Providers who submit valid credentials are eligible for the higher rate as of the first Monday following the date you received the verification.

LEGAL AUTHORITY:
Minnesota Statutes 119B.13 Subd.3a
Effective March 3, 2014, highly-rated licensed family child care providers and child care centers participating in Parent Aware are eligible for higher rates for quality:

- Providers with a three-star Parent Aware rating are eligible for up to 15 percent above the standard maximum rate, not to exceed the provider charge.
- Providers with a four-star Parent Aware rating are eligible for up to 20 percent above the standard maximum rate, not to exceed the provider charge.

Providers may be accredited by an approved organization or hold an approved credential and have a three- or four-star Parent Aware rating. See §9.27 (Higher Rates for Quality – Accreditation/Credential).

- Three-star Parent Aware rated providers that hold a approved accreditation/credential are eligible for up to 15 percent above the standard maximum rate, not to exceed the provider charge.
- Four-star Parent Aware rated providers that hold an approved accreditation/credential are eligible for up to 20 percent above the standard maximum rate, not to exceed the provider charge.

Parent Aware is Minnesota’s Child Care Quality Rating and Improvement System. For more information about Parent Aware, visit www.parentawareratings.org or call (888) 291-9811.

EFFECTIVE DATE OF HIGHER RATES FOR QUALITY

Department of Human Services staff is responsible for entering and updating Parent Aware ratings in MEC². County staff is not responsible for entering or updating Parent Aware ratings. Counties do not need to obtain verification of a provider’s Parent Aware rating.

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

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

LEGAL AUTHORITY:
Minnesota Statutes 119B.13, subd.3b
An absent day is any day that the child is authorized and scheduled to be in care with licensed individuals or centers that are licensed or license exempt, and the child is absent from care. Child absences may occur for a variety of reasons including, but not limited to, child illness, vacation, participant illness or school break. The reason for the child’s absence does not affect payment.

Pay for child absences that do not exceed 10 consecutive days, up to a total of 25 absent days in a calendar year, per child, excluding holidays. If a child attends more than one licensed or license exempt center provider, the combined total number of absent days paid must not exceed 25. If the child is absent from care with both providers on the same day and both providers charge and are paid for an absent day, count that day as 1 absent day. If child care absences exceed 25 days, the charges are the financial responsibility of the CCAP family.

LNL providers are not eligible for absent day payments.

**EXEMPTION FOR DOCUMENTED MEDICAL CONDITIONS**

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

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

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

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

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

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

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

**EXEMPTION FOR TEEN PARENTS ATTENDING CERTAIN PROGRAMS**

Children may be exempt from the absent day limits upon request of the child care provider and approval of the county if they are in a family where:

- At least 1 parent is under the age of 21 and does not have a high school or general equivalency diploma.

AND

- This parent is a student in a school district or another similar program that provides or arranges for ALL of the following to achieve high school graduation:
  - Child care.
  - Parenting support.
  - Social services support.
  - Career and employment supports.
  - Academic support.

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

**ABSENT DAY POLICY**

Pay the CCAP maximum rate, not to exceed the licensed or licensed exempt center provider’s charge for a child absence when all the following conditions are met:

- The provider has a written policy for child absences, charges all other families in care for similar absence, and is charging the family for this day.
• The payment is not more than the provider charges private pay families for the same absence period.

• The charge is not being paid by a non-CCAP source.

• The provider’s service is available.

• The child is scheduled to be in child care based on hours of care you authorized.

Do not charge an overpayment for the absent day unless one or more of the conditions above were not met OR:

• You made an error in the amount of care authorized.

• This absence exceeded the 10 absent day limits.

• The family or provider did not report a change timely.

If you are concerned that the amount or time of care authorized does not fit the current or future needs of the family, reassess the authorization. If the family is found to be not eligible and an overpayment is assessed for the absent day payment, do not count the absent day against the 25 day limit.

Providers and families will be notified of the number of absent days used upon initial provider authorization for a family and will receive ongoing notification of the number of absent days used as of the date of the notification through the Service Authorization and the Remittance Advice in MEC2.

Only days in which a child is absent for the entire time authorized count against the child’s 25 absent days per calendar year limits. If a child attends child care for any part of a day, but is absent for part of the day, the full amount of care authorized for that day will be paid and the payment will not count towards the 25 absent day limits.

If a child does not attend child care during a notice period when care is ending and it is the provider policy to charge for these days, the notice period can be paid using absent days. The absent day limits continue to apply during this period. If the child does not have enough absent days to cover the full notice period, payment may end before the end of the notice period.
See §9.42 (Holidays) for information on payment for holidays, and the impact of holidays on absent days.

LEGAL AUTHORITY:
  Minnesota Statutes 119B.13, Subd.7
  Minnesota Rules 3400.0110 Subp. 9
CCAP cannot pay for provider vacation days, provider sick days or any other days that child care is not available, except for holidays.

Pay a provider’s charge for up to 10 federal or state holidays per year if:

- The provider is closed and not providing care.
- The provider charges all families for these days.
- The holiday falls on a day when the child is authorized and scheduled to be in attendance.

The 10 recognized state and federal holidays are:

- New Year’s Day (January 1).
- Martin Luther King’s Birthday (3rd Monday in January).
- Washington and Lincoln’s Birthdays (3rd Monday in February).
- Memorial Day (last Monday in May).
- Independence Day (July 4).
- Labor Day (1st Monday in September).
- Christopher Columbus Day (2nd Monday in October).*
- Veterans Day (November 11).
- Thanksgiving (4th Thursday in November).
- Christmas Day (December 25).

*The day after Thanksgiving is sometimes substituted for Christopher Columbus Day.

If a holiday falls on a Saturday, the preceding day shall be a holiday. If a holiday falls on a Sunday, the following day shall be a holiday.
Allow participants or providers to substitute other cultural or religious holidays for the 10 recognized state and federal holidays when they notify the county of the substitution before the holiday or within ten business days after the holiday.

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

Christmas Eve, New Year’s Eve, and Good Friday are some of the days that may be considered cultural or religious holidays and may be substituted for a federal or state recognized holiday. These days are not the only days that may be substituted for the recognized holidays.

If care is available on the holiday, but the child is absent, make payment under the basic absence policy. See §9.39 (Care During Child Absences).

If the provider’s service is not available on the holiday for which payment is charged, and the family needs care from another provider on that day, you may only pay 1 provider. The family must pay the 2nd provider.

If a CCAP paid holiday occurs during the midst of other child absent days, the holiday interrupts but does not stop the absent day count. The absent day following the holiday will continue the 10 consecutive day count. Here’s an example:

<table>
<thead>
<tr>
<th>Absent</th>
<th>Absent</th>
<th>Absent</th>
<th>Holiday</th>
<th>Holiday</th>
<th>Absent</th>
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<th>Absent</th>
<th>Absent</th>
<th>Absent</th>
<th>Absent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Day #1</td>
<td>Day #2</td>
<td>Day #3</td>
<td>Day #4</td>
<td>Day #5</td>
<td>Day #6</td>
<td>Day #7</td>
<td>Day #8</td>
<td>Day #9</td>
<td>Day #10</td>
<td></td>
</tr>
</tbody>
</table>

LEGAL AUTHORITY:

Minnesota Statutes 119B.13, subd. 7
Minnesota Statutes 645.44, subd. 5
Complete the review process by the end of the redetermination period. See §10.3 (When to Redetermine Eligibility.), §10.6 (Redetermination Process). When information provided during the redetermination process is incomplete or insufficient, you must request missing information and/or verifications using the MEC² Special Letter: Information Request. Proof of eligibility must be returned within 15 days of being requested or by the last day of the certification period, whichever is earlier. Indicate the due date in the worker comments area of the MEC² Special Letter: Information Request.

If a family fails to return or complete the redetermination form or if the family fails to provide required eligibility verifications, eligibility must be terminated and service authorizations must be ended. Eligibility verifications are required to determine eligibility, while the family’s schedule verifications are required to authorize care. See §7.6 (Verification – Redetermination) for more information.

A notice of termination must be sent to the family and the provider at least 15 calendar days before the end of the family’s eligibility period. See §12.3.12 (Termination Notices - Family). See §12.6.9 (Termination Notices - Provider).

Families that return the completed redetermination form DHS-5274-ENG and/or required eligibility verifications after the end of the certification period shall not have their eligibility reinstated and shall not have care authorized. The family must submit a new application to reapply for CCAP. In addition, the redetermination form (DHS-5274) submitted cannot be used as the application (DHS-3550). Follow policies for processing a new application. See §3.6 (Accepting and Processing Applications).

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

**Appropriate Reinstatement:**
Reinstate eligibility and approve service authorizations for families who lost eligibility because the Servicing Agency failed to act on a complete redetermination form and documentation received prior to the end of the certification period.

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

**LEGAL AUTHORITY:**
- Minnesota Statutes 119B.09 Subd. 4
- Minnesota Rules 3400.0180
- Minnesota Rules 3400
Legal nonlicensed Providers

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

Apply the following criteria to determine if a provider can be a Legal Nonlicensed (LNL) Provider:

- At least 18 years of age.
- Not a member of the MFIP assistance unit, or a member of the family applying for or receiving child care assistance.
- Not living in the same home as the child whose family is applying for or receiving child care assistance.
- 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.
- Has current certification in First Aid and CPR.

REQUIRED FORMS

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

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

- 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.
Legal nonlicensed Providers

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

TRAINING REQUIREMENTS
Upon initial authorization, LNL providers must provide documentation of First Aid and CPR training. Online components of First Aid and CPR training may qualify, except for the practical portion of CPR which is required in person. See Minnesota Statutes 245A.50 for further information. Counties should consult with county licensing staff about how to determine valid training for First Aid and CPR training requirements. The training must have been provided by individuals approved to provide such training. Counties should align standards for acceptable training with standards used for approving licensed family child care provider First Aid and CPR training. The training must be effective as of the date the provider registration is approved. See §11.12 (Provider Registration). Upon each reauthorization after the initial authorization requiring First Aid and CPR training, if a provider still serves children receiving CCAP, the provider must take and provide proof of an additional 8 hours of training in topics listed by the Minnesota Center for Professional Development Registry. First Aid and CPR courses may be counted in the additional 8 hours of required training but are not required. All courses offered by the Child Care Aware agencies, which are listed in the Registry by the Minnesota Center for Professional Development, qualify toward the 8 hours. Child Care Aware agencies coordinate and offer training that is listed in the Registry. Their staff can help providers find training that may be of most interest to them.

PROVISIONAL PAYMENTS
Your county may choose to make provisional payments to LNL providers when all the requested information/documentation has been submitted but the county has not completed the background check. These payments are temporary and end if your county denies the authorization request. Check your county’s Child Care Fund Plan to see if your county has chosen this option. For additional information on payments to providers, see §9.03 (Payments to Providers).

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

- The provider and each household member age 13 and older.

- Each household member age 10-12 living in the household where the provider services will be provided when the commissioner has reasonable cause as defined under MN Statutes 245C.02, subd. 15.

- An individual who, without providing direct contact services in the LNL program may have unsupervised access to children receiving services from the program, when the commissioner has reasonable cause.

Conduct a background study that includes findings from the Bureau of Criminal Apprehension, juvenile courts, and social service agencies. If the local county juvenile courts and social service agency do not maintain statewide records, contact the county where the provider currently resides and any counties where the provider resided in the past 5 years. A finding that a delinquency petition is proven in juvenile court must be considered a conviction in state district court.

A county agency may charge a fee to a legal non licensed provider or applicant for authorization to recover the actual cost of the background studies completed under MN Statutes 245A.10, subd. 2 (b) not to exceed $100 annually.

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

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

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

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

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

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

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

- 2 years have passed since the most recent authorization.

- An individual has reached age 10 but is not yet age 13 and is living in the household, when the county has reasonable cause as defined under MN Statutes 245C.02, subd. 15.

- Another person age 13 or older has joined the provider’s household since the last authorization.

- A current household member has turned 13 since the last authorization.

- Your county has reason to believe that a household member has a factor prohibiting authorization.

- The county’s provisions for unsafe care differ from those established by the county responsible for the first authorization.
PAYMENT INFORMATION
For information on the hourly rate to pay LNL providers, see §9.24.3 (Child Care Rates).
Do not pay registration fees to LNL providers.

LEGAL AUTHORITY:
- Minnesota Statutes 13. Subd.03
- Minnesota Statutes 119B.011, Subd. 5
- Minnesota Statutes 119B.011 Subd. 19
- Minnesota Statutes 119B.125 Subd. 1 and 2, 3, 5
- Minnesota Statutes 245A.10. Subd. 2 (b)
- Minnesota Statutes 245C.03.08 and .15
- Minnesota Statutes 245C.14
- Minnesota Statutes 245C.15
- Minnesota Rules 3400.0120
- Minnesota Rules 3400.0110 Subp. 2a
- Minnesota Rules 3400.0140 Subp. 5
- Minnesota Rules 3400.0035 Subp. 8 and 9
| Legal nonlicensed Providers | 11.9 |

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Providers must report all family changes that require reauthorization. When a Legal Nonlicensed Provider (LNL) is authorized in more than one county at the time reauthorization is required, the county with the longest current authorization must complete the reauthorization process.

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

Reauthorize all providers at least every 2 years.

**LEGAL NON-LICENSED (LNL) PROVIDERS**

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

Perform a background study at each reauthorization on:

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

In addition to performing background studies at each reauthorization, there are additional times when background studies are required. In the situations listed below, a background study only needs to be performed for the individual(s) who have not had a background study within the last two years. Background studies must be performed when:

- An individual has reached age 10 but is not yet 13 and is living in the household where the Legal Nonlicensed childcare will be provided, when the county has reasonable cause as defined under MN Statutes 245C.02, subd. 15.
- A current household member becomes 13 years of age since the last authorization.
• A person age 13 or older joins the household since the last authorization.

• You believe a household member has a factor that prevents the provider from being authorized.

LEGAL AUTHORITY:
Minnesota Statutes 119B.125, subd. 1 & 2
CCAP will only allow child care assistance for care authorized in the child’s home if the child’s parents have authorized activities outside of the home and if one or more of the following circumstances are met:

1. The parents qualifying activity occurs during the times when out-of-home care is not available. If the child care is needed during any period when out-of-home care is not available, in-home care can be approved for the entire time care is needed AND

2. The family lives in an area where out-of-home care is not available OR

3. A child has a verified illness or disability that would place the child or other children in an out-of-home facility at risk or creates a headship for the child and the family to take the child out of the home to a child care home or center.

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

- If the request is based on out-of-home care not being available, the parent must contact Child Care Aware to obtain either a listing of licensed programs in their area or a written statement if there are no licensed programs available to meet the family’s needs. If there are licensed programs available, families must contact all providers on the listing and document the reason(s) why those programs do not work for them. Additionally, if no licensed programs are available to meet the family’s needs, parents must also provide a reason(s) as to why care cannot be provided in the legal nonlicensed (LNL) provider’s home and why care must be provided in the child’s home.

NOTE: Preference for a child to sleep at home is not an approvable reason on its own for why care must be provided in the child’s home.

- If the request is based on the child’s illness or disability, the parent must provide documentation of the child’s illness or disability. A statement from a doctor or qualified professional needs to be submitted, verifying and describing the child’s condition, and identifying that care should be provided in the child’s home. Although not required, the parent may also add an explanation about why in-home care is requested. This explanation may describe how the child is at-risk to self or others or
the illness or disability creates hardship for the family and/or child.

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

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

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

EMPLOYING IN-HOME CHILD CARE PROVIDERS

The following provides labor law information for families who hire a child care provider to provide care for a child in the family’s home.

The U.S. Department of Labor, Wage and Hour Division, enforces the Fair Labor Standards Act of 1938, as amended (FLSA). This law requires that employees be paid at a rate not less than the federal minimum wage for all hours worked and that hours worked over 40 be compensated at one and one-half times an employee’s regular rate of pay. This law covers most domestic service workers. The federal-minimum wage and overtime provisions apply to any persons providing babysitting services in private homes for more than 20 hours a week, on a regular basis.

To ensure that all persons employed as child in-home care providers under the conditions described above receive the wages they are legally entitled to; The U.S. Department of Labor, Wage and Hour Division, is asking your assistance in distributing information to parents or guardians who may be receiving assistance under the Child Care Assistance, Foster Care Assistance, Child Welfare, or any other state funded program. The information provided alerts them to their legal obligations to pay minimum wage and overtime to such care providers.

Fact Sheets are available at www.wagehour.dol.gov which summarizes minimum wage and overtime provisions of the FLSA. Provide these guides to all people who employ in-home providers.
Make copies of these sheets as needed or contact the U.S. Department of Labor, Wage and Hour Division for additional copies.

**LEGAL AUTHORITY:**
- Minnesota Statutes 119B.011, subd. 19
- Minnesota Statutes 119B.09, subd. 5 and 13
- Minnesota Statutes 119B.125
- Minnesota Rules 3400.0035 Subd. 7-9
To determine the amount of child care assistance the family and/or provider were actually eligible to receive, examine the following:

- Eligibility
- Copayment amount
- Authorized hours
- Payment amount

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

MAXIMUM RATES

Maximum rates in place February 3, 2014 – current

- Standard maximum rates [DHS-6441B-ENG](#)
- 15 Percent Quality Differential Maximum Rates [DHS-6442B-ENG](#)
- 20 Percent Quality Differential Maximum Rates [DHS-6824-ENG](#)

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

- Standard maximum rates [DHS-6441A-ENG](#)
- Accredited maximum rates (15 percent differential) [DHS-6442A-ENG](#)

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

- Standard maximum rates [DHS-6441-ENG](#)
- Accredited maximum rates (15 percent differential) [DHS-6441-ENG](#)

If care took place prior to the current copayment schedule effective October 14, 2013-current, you will need to consult previous copayment schedules.

COPAYMENT SCHEDULES

- Copayment schedules in place October 14, 2013 – current [DHS-6413B-ENG](#)

Expired Copayment schedule in effect from October 1, 2012 – October 13, 2013 [DHS-6413A](#)

Contact your agency’s Technical Assistance Liaison at DHS for previous copayment schedules.

The amount of the overpayment is the difference between the child care assistance payments that the family and/or provider received and the child care assistance payments that the family and/or provider were actually eligible to receive. The worker must include all amounts that were overpaid when determining the amount of the overpayment, regardless of how long ago the payments occurred.

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

When a family reports changes in their circumstance within 10 calendar days of the change, there will be no overpayment. An exception would be when the county does not respond to a reported change within 10 calendar days. If this happens there may be an overpayment due to agency error. The overpayment would be calculated allowing for a notice period. Counties must act on all changes within 10 calendar days from the date the change was reported or becomes known to the agency. See §8.3.3(Agency Responsibilities for Family Reporting).

If an employment plan is modified, the Employment Services (ES) worker should notify the CCAP worker of the change within 10 calendar days of the date of the modified plan. If the CCAP worker is NOT notified of the modified plan timely, an agency error overpayment would be calculated allowing for a notice period.

When the family does not report changes in their circumstance within 10 calendar days there may be an overpayment. The overpayment would be calculated beginning on the date the change occurred.

If the change is due to increased income, the overpayment may be calculated differently depending on the following circumstances.

If an overpayment was due to increased income that occurred during a period of ongoing eligibility, the overpayment would be calculated starting with the first biweekly period after the date the increased income was first received.
If an overpayment was due to increased income that occurred at the same time as a new application:

- If the applicant was working and receiving income prior to the application date, but they failed to report it on the application – calculate the overpayment back to the application date.

- If the applicant was working prior to the application date, but they did not receive their first paycheck until after the application date, and they failed to list the job on the application – calculate the overpayment starting with the first biweekly period after the applicant received their first check.

The county agency may not charge interest on overpayments of child care assistance benefits.

**INELIGIBILITY**

When a family received child care assistance for a period of time when the family was not eligible for child care assistance, the amount of the overpayment is the total amount of child care assistance paid during the time period of ineligibility. If a family reported a change timely and the agency did not act on the change, the overpayment would exclude the allowable notice period.

If a family becomes ineligible for child care assistance and wants to receive child care assistance in the future, the family is required to reapply for child care assistance and meet entrance income limits.

If it is discovered that a family continuously receiving child care assistance was ineligible for a period of time when CCAP payments were made but met the eligibility requirements for a subsequent period of time, assess an overpayment for the period of ineligibility and determine if an overpayment exists for the subsequent period of time:

If the family was receiving **MFIP** child care:

An overpayment would only be assessed for the period of ineligibility. There would not be an overpayment assessed for the subsequent period of time when the family met eligibility requirements.

If the family was receiving **Basic Sliding Fee (BSF)**, **Transition Year (TY)**, **Transition Year Extension (TYE)** or **Portability Pool (PP)** child care:
If the period of ineligibility was shorter than the time period allowed for temporary ineligibility, an overpayment should only be assessed for the period of ineligibility. There would not be an overpayment assessed for the subsequent period of time when the family met eligibility requirements. See §8.6 (Temporary Ineligibility)

If the period of ineligibility was longer than the time period allowed for temporary ineligibility, determine whether the family’s income was below the entrance income limit for the family size at the beginning of the subsequent period of time when the family met the eligibility requirements.

1. If the family’s income was at or below the entrance income limit for their family size at the beginning of the subsequent period of time when the family met eligibility requirements, an overpayment should only be assessed for the period of ineligibility. An overpayment should not be assessed for the subsequent period of time when the family met eligibility requirements.

2. If the family’s income was above the entrance income limit for their family size at the beginning of the subsequent period of time when the family met eligibility requirements an overpayment should be assessed for the period of ineligibility:

   a. If the family’s income was above the entrance income limit for their family size during the entire subsequent period of time, an overpayment should be assessed for the entire period, in addition to the period of ineligibility. OR,

   b. If the family’s income was above the entrance income limit for their family size at the beginning of the subsequent period of time, but at a later date was at or below the entrance income limit for their family size, an overpayment should be assessed for the beginning of the subsequent period of time when their income was above the entrance income limit for their family size, in addition to the period of ineligibility. An overpayment would not be assessed for the later period of time beginning when the family’s income was at or below the entrance income limit for their family size.

Example:
Family was on child care assistance from January 1 to November 30. Family met eligibility requirements from January 1 to May 31. Family did not meet eligibility requirements from June 1 to September 30 (for example the parent was not in an authorized activity). Family met eligibility requirements from October 1 to November 30.
For all cases an overpayment would be assessed for the time period of June 1 through September 30 (if the family reported the change timely, an overpayment would not be assessed for the allowable notice period). In this scenario the period of ineligibility is greater than the time period allowed for temporary ineligibility. To determine whether an overpayment should be assessed for the time period of October 1 through November 30:

- For MFIP cases: an overpayment should not be assessed for October 1 to November 30.

- For BSF, TY, TYE and Portability Pool cases:
  1. If the family’s income was at or below the entrance income limit for their family size on October 1, an overpayment should not be assessed for the time period of October 1 to November 30.
  2. If the family’s income was above the entrance income limit for their family size on October 1 and continued to be above the entrance income limit, an overpayment should be assessed for the time period of October 1 through November 30.
  3. If the family’s income was above the entrance income limit for their family size on October 1, but was below the entrance income limit for their family size at a later time, for example November 1, an overpayment should be assessed for the time period of October 1 to October 31. An overpayment should not be assessed for the time period of November 1 through November 30.

LEGAL AUTHORITY:

Minnesota Statutes 119B.011
Minnesota Statutes 119B.11
Minnesota Rules 3400.0187
AMOUNT OF OVERPAYMENT  

14.6
Fraud exists when:

- A family has willfully or intentionally withheld, concealed, or misrepresented information to receive or to attempt to receive more benefits than they are eligible to receive or to help another person to receive or to attempt to receive more benefits than the person is entitled to receive.

- A provider has willfully or intentionally withheld, concealed, or misrepresented information to be authorized by CCAP; to receive or to attempt to receive payments to which the provider was not entitled; or to help another person to receive child care assistance to which that person is not entitled.

**CLIENT ELIGIBILITY FRAUD REFERRALS**

Refer clients you suspect of fraud for investigation. For counties participating in the Fraud Prevention Investigation (FPI) program, use the Fraud Prevention Referral form (DHS-3335A) to make a referral for an FPI.

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

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

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

**PROVIDER FRAUD REFERRALS**

Refer or notify the DHS Office of Inspector General (OIG) Child Care Provider Fraud Investigations Unit of providers you suspect of fraud. Some counties may have the resources to investigate provider fraud locally. However, all counties should use the Child Care Provider Investigations Communications Form (DHS-6811) to inform the OIG of all child care provider investigations.
Send referrals or notifications whenever it appears a provider is withholding, concealing, or
misrepresenting information in order to:

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

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

CONTINUATION OF BENEFITS

During a fraud investigation, continue benefits if current eligibility exists. Do not close a
case or deny benefits to people under investigation for fraud if they are otherwise eligible.

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

NOTIFICATION OF OVERPAYMENTS

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

LEGAL AUTHORITY:

Minnesota Statutes 119B.13
Minnesota Statutes 119B.16
Minnesota Statutes 119B.125
Minnesota Statutes 256.98
Minnesota Rules 3400.0183
Disqualify families who have committed an CCAP Intentional Program Violation (IPV). An IPV disqualification can be established by any of the following:

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

Disqualify the entire family from receiving benefits for the following lengths of time when a member or members of a family receiving child care assistance is found to have committed an IPV:

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

When you receive notification of an IPV determination, send the DHS-3134-ENG Notice of Program Disqualification and a CCAP termination notice to end assistance. The disqualification period for any child care assistance program must extend to all child care assistance programs and must be immediately applied allowing for a 15-day notice. See §12 (Notices). This disqualification is not appealable through an administrative hearing. The disqualification is appealable only through district or appellate court action. Once imposed, the disqualifications remains in effect, without possibility of administrative stay, unless and until the findings upon which the penalty was based are subsequently reversed by a court of appropriate jurisdiction.

The effective date of the disqualification period is the date of the IPV determination (if signed DCA or ADH Waiver, court/ADH decision) or the effective date of the CCAP termination notice, whichever is later.
An IPV determination through any of the prescribed administrative or judicial options settles all prior disclosed and undisclosed violations from the standpoint of imposing disqualification penalties and is effective with the date of determination of the IPV. There still may be claims established against the family for any overpayments that are cited for the prior time period(s).

Record conviction and disqualification information and copies of supporting documents, (including conviction information), in the case file. If a disqualified family moves from one county to another, include disqualification information in the case referral. See §8.12 (Moving Between Counties).

Families disqualified from MFIP due to an IPV are **NOT** barred from receiving child care assistance. When an MFIP recipient is disqualified from MFIP due to fraud, the family is no longer eligible for MFIP child care assistance. The family may be eligible for Basic Sliding Fee (BSF) and the worker will need to recover any overpayment that may have resulted while the family was on MFIP child care assistance.

The disqualified family may be placed on a child care waiting list if all factors used to determine eligibility for the waiting list are met. If the family’s name rises to the top of the waiting list during the period of disqualification, they should receive the same treatment as other participants who are deemed temporarily ineligible at the time that they rise to the top of the waiting list.

Families disqualified for fraud in another state remain disqualified in Minnesota.

**LEGAL AUTHORITY:**
- Minnesota Rules 3400.0183
- Minnesota Statutes 256.9
Disqualify child care providers who have committed a CCAP Intentional Program Violation (IPV). An IPV disqualification can be established by any of the following:

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

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

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

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](#)) includes the Penalty Warning required for the ADH process.

If your county chooses to use a county form for provider acknowledgement or authorization, you must include the penalty warning, and the responsibilities and rights listed in Child Care Provider Responsibilities and Rights ([DHS-4079-ENG](#)). You must send any revised county form to the Department of Human Services (DHS) for approval as part of your county’s Child Care Fund Plan. Failure to include the penalty warning and the provider’s responsibilities and rights on the county form will lead to the dismissal of any ADH process that your county brings against child care providers accused of intentional program violation in your county.

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 ([DHS-3134-ENG](#)) to disqualify the provider and end
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 DCA or ADH Waiver or court/ADH 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
This chapter includes resources that are necessary or helpful in administering the Child Care Assistance Program. See the various topics below for more information:

§16.1     CCAP Authorizations for Clients with an EP
§16.15    Authorized Activities Comparison Sheet
§16.18    Case Reviews
§16.21    Recording Document Received Dates

LEGAL AUTHORITY:
Minnesota Statutes 119B
Minnesota Rules 3400
Counties must record the date that an application is received. Refer to §3.6 (Accepting and Processing Applications) for information on accepting and processing applications.

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

Examples of methods to record received dates include but are not limited to:
- Sign and date the Agency Signature field on the application,
- Agency date stamp,
- Fax date stamp,
- Email date if the email includes the documentation,
- EDMS scan date that shows when the document is viewed or printed,
- ApplyMN application form pre-populated date received.