2 (Glossary) Spells out acronyms in this section to reflect DHS plain language standards, moves and updates the definition of “Reserve” into the definition of “Temporary Ineligibility”.

4.3.3.9 (MFIP Sanctions) Spells out acronyms in this section to reflect DHS plain language standards, replaces the term “Employment Services Worker” with “Job Counselor”.


4.9 (Cooperation with Child Support) Spells out acronyms in this section to reflect DHS plain language standards, adds a paragraph about the Safe at Home Program and its relationship to a Good Cause claim in child support, refers the reader to Combined Manual Chapter 12.21.06 (Child Support Good Cause Exemptions).

4.15 (Citizenship and Immigration Status) Spells out acronyms in this section to reflect DHS plain language standards, removes a reference to an obsolete manual section.

6.12 (Excluded Income) Spells out acronyms in this section to reflect DHS plain language standards, adds Department of Human Services forms DHS-6974 “Student Income Calculation Form- Child Care Assistance Program Caseworker Tool” and DHS-6974A “Child Care Assistance Program Student Income and Expenses Form”.

6.15 (Annualizing Income) Updates references to case notes in this section from “must case note” to “it is recommended that the worker include a detailed case note”.

6.15.3 (Annualizing MFIP & Earned Income) Spells out acronyms in this section to reflect DHS plain language standards, updates references to case notes in this section from “must case note” to “it is recommended that the worker document in case notes” how they arrived at the income amount annualized.

6.15.6 (Annualizing Self-Employment Income) Spells out acronyms in this section to reflect DHS plain language standards, adds a link to the IRS Standard Mileage Rate website. Adds a fourth bullet regarding negative income. Any negative self-employment income must be included in the determination of annual income, resulting in a reduction in total annual income.

6.16 (Applicable Minimum Wage) Updates this paragraph: “If a worker receives an hourly wage from their employer” to include “they are not self-employed, contracted, or salaried, assume that the applicable minimum wage is being paid by the employer.” This paragraph was added to the section: “Some employers employ disabled persons and may qualify for disabled-worker permits. To pay a disabled person less than the state minimum-wage, an
employer must apply for a subminimum-wage permit from the Minnesota Department of Labor and Industry. Under these circumstances, the wage paid should be regarded as the applicable minimum wage and meet Child Care Assistance Program requirements. Refer to Minnesota Department of Labor and Industry link listed above.”

6.21 (Family Copayment) Spells out acronyms in this section to reflect DHS plain language standards, adds a link to the October 13, 2014 bi-weekly copayment schedules section.

7.9 (Income Verification) Adds clarification on the verification standards for earned and unearned income: “All income must be verified using the documentation that is the best indicator of future income. The recommended standard is the most current 30 days of verification for income other than child support tracked through PRISM. For child support tracked through PRISM, the recommended standard is the last six months of information. If the worker uses something other than these standards, it is recommended that they case note why they deviated and how verification is used to support the income components required in the calculation of annualized income.”

7.21 (Verification-Safe at Home) Adds this paragraph: “If an applicant or participant claims Good Cause and has been issued an identification card by the Secretary of State showing that they are a participant in the Safe at Home program, the Good Cause Committee should automatically grant the Good Cause. The Department of Human Services (DHS) policy accepts participation in the Safe at Home program as clear evidence that there are significant safety concerns. If the Safe at Home participant does not claim Good Cause, the child support case must remain open to establish or enforce a court order, while the address continues to be protected. See Combined Manual Chapter 12.21.06 (Child Support Good Cause Exemptions).”

7.24 (Verification - DHS Systems) Spells out acronyms in this section to reflect DHS plain language standards, adds this section:

CASE FILE DOCUMENTATION
The Internal Revenue Service has special requirements for safeguarding federal tax information (FTI) generated by the Income and Eligibility Verification System (IEVS). For more information about what qualifies as federal tax information and how to prevent unauthorized use and disclosure of this information, see Combined Manual 0010.24.21 (IEVS Safeguarding Responsibilities).

Social Security information gathered from the State Verification Exchange System (SVES) interface is NOT considered federal tax information. Specific protocols for safeguarding federal tax information when gathering and documenting information do NOT apply to information gathered through the SVES interface.

Generally, child care workers must obtain hard copies of income verification for the child care file. See Chapter 7.9 (Income Verification). Exceptions occur when income is verified through a third-party interface.
• When income from Social Security is verified using the SVES interface:

- Make a screen print of the SVES interface information for the child care case file.

- Record a generic reference in Case Notes that includes the type of income, the date of the SVES interface response, and that a printed record of the interface information is available in the case file. As a precaution, do not include detailed information in Case Notes. For example, do NOT copy and paste any information gathered from the SVES interface and/or TPQY result messages into Case Notes.

• When income from Child Support is verified using PRISM, screen prints are not required. It is no longer required but now “recommended” using the last six months of information for child support tracked through PRISM.

7.27 (Schedule Verification - Employment and Education) Spells out acronyms in this section to reflect DHS plain language standards, changes the term “Employment Services Worker” to “Job Counselor”. Adds a statement under the verification types examples “Statement from the employer with the days and times that the PRI is scheduled to work. This could be an email from the employer using an employer email address.”

9.1.12 (Weekly Rates High Quality Providers) Spells out acronyms in this section to reflect DHS plain language standards, adds this paragraph to the weekly authorization for high quality providers “This policy allows the parent and provider to determine a schedule of care that it not tied to the specific days and times that the parent is in an authorized activity. The child may attend care according to the schedule of care, even if some of the care is not needed to support the parent’s activities. Under this policy, the Child Care Assistance Program may routinely pay providers for some scheduled and authorized care that is not needed to support the parent’s activities. When these payments occur in line with this policy they are not overpayments unless other policy guidelines are not being followed.”

9.24.3 (Provider Rates, Copayments) Adds links to the CCAP 20 Percent and 4-star Parent Aware Quality Differential Maximum Rates effective February 3, 2014 and the copayment schedules effective October 13, 2014 to present.

9.27 (Higher Rates for Quality – Accreditation/Credential) Adds a paragraph to this section about accreditation extensions “Accrediting organizations may issue an extension of a current accreditation if time is needed to complete the validation. CCAP requires a letter from a qualifying accrediting organization from the listing above that states that the time frame has been extended. This letter must include the extension end date.”

9.30 (Higher Rates for Quality – Parent Aware Rated Providers) Adds a few minor capitalization corrections to this manual section. Parent Aware website added to this section. www.parentaware.org

10.6.6 (Redetermination Processing-Reinstatement) Spells out acronyms in this section to reflect DHS plain language standards, adds “calendar” to 30 days references in this section.
11.12 (Provider Registration) Spells out acronyms in this section to reflect DHS plain language standards, adds the sentence “Counties and administering agencies should allow a provider to register when requested, using the appropriate Department of Human Services (DHS) registration forms and processes. It is not required that the provider have children from the Child Care Assistance Program (CCAP) enrolled in the program.”

14.6 (Amount of Overpayment) Spells out acronyms in this section to reflect DHS plain language standards, adds information under the ineligibility header about families who were ineligible for a period of time when they met the eligibility requirements for a subsequent period of time that begins the next time the family supplies information that establishes their eligibility and assessing overpayments.

14.12.3 (Disqualification for Fraud- Families) Spells out acronyms in this section to reflect DHS plain language standards, edits a link to the form “Disqualification Consent Agreement (DCA)” (DHS-3429).

14.12.6 (Disqualifications for Providers) spells out acronyms in this section to reflect DHS plain language standards, edits a link to the form “Disqualification Consent Agreement (DCA)” (DHS-3429).
ADMINISTERING AGENCY
A county social services agency or a public or non-profit agency designated by the county board to administer the child care fund.
(Legal Authority: Minnesota Rules 3400.0020, Subp. 4)

ADMINISTRATIVE EXPENSES
Costs associated with the administration of direct services covered by the child care fund. These include:
- Salaries, wages and related payroll expenses including those for direct personnel costs, expenses for general administration and supervision, secretarial, clerical, accounting and other support services.
- Travel, transportation and per diem or subsistence expenses.
- Materials and office supplies.
- Publication, telephone, postage, and photocopy costs.
- Others expenses directly attributable to the child care fund.
(Legal Authority: Minnesota Rules 3400.0020, Subp. 5)

AGE OF CHILD
Infant (see INFANT)
Preschool (see PRESCHOOL)
School Age (see SCHOOL AGE)
Toddler (See TODDLER)

ALLOCATION
The share of the total state appropriation of child care funds that a county may earn and be reimbursed for in a calendar year. Department of Human Services (DHS) may increase a county’s allocation by redirecting unexpended or unencumbered funds, or when additional funds become available. DHS may decrease a county’s allocation proportionate to the reduction in the total allocation when funding decreases are implemented within a calendar year.
(Legal Authority: Minnesota Rules 3400.0020, Subp. 8)

APPLICANT
All parents, stepparents, legal guardians or eligible relative caregivers who are members of the FAMILY and reside in the household that applies for child care assistance.
(Legal Authority: Minnesota Statutes 119B.011, Subd.2)

AT-RISK
Environmental or familial factors that create barriers to a child’s optimal achievement. Factors include, but are not limited to, a federal or state disaster, Limited English Proficiency (LEP) in a family, a history of abuse or neglect, family violence, homelessness, age of the mother, level of maternal education, mental illness, developmental disability, or parental chemical dependency or history of other substance abuse. See Chapter 9.54 (Special Needs).
(Legal Authority: Minnesota Rules 3400.0020, Subp.9a)

AUTHORIZED PROVIDER
A legal child care provider who has completed the county registration process, required training and has been approved for child care assistance payments. See Chapter 11 (Providers).
AUTHORIZED HOURS
The number of hours in a service period, not to exceed the maximum hour limit established in MN Statutes 119B.09, subd. 6, that may be paid for child care for a child. See definition for Scheduled Hours.
(Legal Authority: MN Rules 3400.0020 Subp. 10(a))

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

BSF
See BASIC SLIDING FEE PROGRAM.

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

CCAP
Child Care Assistance Program.

CCAP FAMILY
See FAMILY.

CHILD
A person 12 years old or younger, or age 13 or 14 who has a hearing impairment, visual disability, speech or language impairment, physical handicap, other health impairment, mental handicap, emotional/behavioral disorder, specific learning disability, autism, traumatic brain injury, multiple disabilities, or deaf/blind disability which requires special instruction and services.
(Legal Authority: Minnesota Statutes 119B.011, Subd. 4)

CHILD CARE
Care of a child by someone other than a parent, stepparent, legal guardian, eligible relative caregiver or their spouses in or outside the child’s own home.
(Legal Authority: Minnesota Statutes 119B.011, Subd. 5)

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
The board of county commissioners in each county.
(Legal Authority: Minnesota Statutes 119B.011, Subd. 9)
GLOSSARY

DISABILITY
A functional limitation or health condition that interferes with a child’s ability to walk, talk, see, hear, breathe or learn in order to meet the conditions required for an increased rate. See Chapter 9.54 (Special Needs).
(Legal Authority: Minnesota Rules 3400.0020, Subp. 17a)

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

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

DOCUMENTATION
A written statement or record, including an electronic record, that substantiates information provided by a person or an action taken by an agency.
(Legal Authority: Minnesota Rules 3400.0020, Subp. 18)

EARNED INCOME
See INCOME.

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

EDUCATION PROGRAM (applies to Basic Sliding Fee)
Remedial or basic education or English as a second language instruction, a program leading to a general equivalency or high school diploma, post-secondary programs excluding post-baccalaureate programs, and other education and training needs as documented in an EDUCATION PLAN. The Education Plan must outline education and training needs of a participant, meet state and county requirements for education plans and meet the requirements of programs that provide federal reimbursement for child care services.
(Legal Authority: Minnesota Statutes 119B.011, Subd. 11)

ELIGIBLE RELATIVE CAREGIVER
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 Chapter 5.3 (Determining the Child Care Assistance Program (CCAP) Family), Chapter 5.9 (CCAP Family Composition Examples).
(Legal Authority: Minnesota Statutes 256J.08; Minnesota Rules 3400.0020, Subp. 20)

EMPLOYMENT PLAN (applies to MFIP/DWP)
An Employment Plan (EP) is developed by the job counselor and the participant which identifies the participant’s most direct path to unsubsidized employment, lists the specific steps that the participant will take on that path, and includes a timetable for the completion of each step. The plan also identifies any subsequent steps that support long-term economic stability.
(Legal Authority: Minnesota Statutes, 256J.49, Subd. 5)
ESTABLISHED DATE
The date the agency computes an overpayment. See Chapter 14.6 (Amount of Overpayment).

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

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

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

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

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

FICA

FULL CALENDAR MONTH
From the first day of the month through the last day of the month.

HOUSEHOLD OF APPLICANT/PARTICIPANT/FAMILY
The CCAP family as defined in Chapter 5.3 (Determining the CCAP Family).

HOUSEHOLD OF PROVIDER
The provider and those people living with the provider or in the home during child care hours.
INCOME
Earned or unearned income received by ALL FAMILY members, including public assistance cash benefits, at-home infant child care subsidy payments, and child support and maintenance distributed to or received by the family. See Chapter 6 (Income Eligibility).

INFANT
- **Licensed Family Child Care**: A child is an infant up to 12 months of age.
- **Legal Non-Licensed Family Child Care**: Follow the Licensed Family Child Care definition
- **Licensed Center Child Care**: A child is an infant up to 16 months of age. A child in center care may be considered to be an infant up to 18 months of age for purposes of staff ratios, group size, and programming with agreement of parent, teacher, and director if this decision is in the best interest of the child.
- **License Exempt Centers**: Follow the Licensed Center Child Care definition.
  
  *(Legal Authority: Minnesota Statutes 245A.02; Subd.19, Minnesota Rules 9503.0005; Minnesota Rules 9503.0040)*

IN-HOME CARE
Care provided in the child’s own home.

KNOWN TO THE AGENCY
Information about a family’s circumstances that the county agency receives from the family or discovers from sources such as MAXIS, PRISM, or MMIS.

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

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

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

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

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

MEC²
Minnesota Electronic Child Care System.

MFIP
Minnesota Family Investment Program. See Chapter 4.3.3.3 (MFIP Overview).
MFIP/DWP CHILD CARE
A sub-program of the Child Care Assistance Program for families receiving MFIP or DWP. See Chapter 4.3.3.3. (MFIP Overview).

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

MINOR PARENT
A parent who is less than 18 years of age.

OVERPAYMENT
The portion of a child care payment that is greater than the amount for which a participant or provider is eligible.
(Legal Authority: Minnesota Rules 3400.0020, Subp. 33)

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

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

PRE-SCHOOL
- Licensed Family Child Care: A child is a preschooler at 24 months of age up to being eligible to attend kindergarten within the next four months.
- Legal Non-Licensed Family Child Care: Follow the Licensed Family Child Care definition. *
- Licensed Center Child Care: A child is a preschooler at 33 months of age up to the age of being eligible to attend kindergarten within the next four months. A child in center care may be considered to be a preschooler at 31 months of age for purposes of staff ratios, group size, and programming with agreement of parent, teacher, and director if this decision is in the best interest of the child. *
- Licensed Exempt Centers: Follow the Licensed Center Child Care definition.*

Preschool/School age category changes; in August of each year, MEC² will complete the annual school age change batch. This process changes the Age Category for children who have reached the appropriate age to start kindergarten in the fall and who have a kindergarten start date entered on the child's school window. Without a date entered in that field, the age change cannot occur and the child will remain in the preschool age category when they should be changed to school age. Please refer to the MEC² User Manual for further information.
(Legal Authority: Minnesota Statutes 245A.02, Subd.19; Minnesota Rules 9503.0005)

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

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 Chapter 9.3 (Payments to Providers).
(Legal Authority: Minnesota Rules 3400.0110 Subp. 2a and 2b.; Minnesota Statutes 119B.125 Subd. 5)

PROVISIONAL PAYMENT
A temporary payment paid to a legal nonlicensed (LNL) provider based on a provisional authorization. See Chapter 9.3 (Payments to Providers).
(Legal Authority: Minnesota Rules 3400.0110, Subp. 2a and 2b; Minnesota Statutes 119B.125 Subd. 5)

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 Chapter 10 (Redetermination of Eligibility).
(Legal Authority: Minnesota Rules 3400.0020, Subp. 37)

REGISTRATION
The process used by a county to determine whether the provider selected by a family applying for or receiving child care assistance to care for that family’s children meets the necessary requirements for payment of CCAP for child care provided by that provider.
(Legal Authority: Minnesota Rules 3400.0120, Subp. 2; Minnesota Statutes. 119B.011, Subd. 19a)

RESERVE
See TEMPORARY INELIGIBILITY.

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

RSDI
See RETIREMENT, SURVIVORS, AND DISABILITY INSURANCE.
GLOSSARY

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.

(Social Security Administration 3400.0020, Subp. 38b)

SCHOOL AGE

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

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

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

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

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

(Social Security Administration 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.

(Social Security Administration 3400.0020, Subp. 40)

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

SUSPENDED
The family remains eligible up to 1 year if there are temporary breaks when child care assistance is not needed. See Chapter 8.9 (Suspending).
TEMPORARY ABSENCE
A period of time a family member is physically absent from the family’s residence but still included in the household size as he/she intends to return to the residence. See Chapter 5.6 (CCAP Family – Temporary Absence).
(Legal Authority: Minnesota Rules 3400.0020, Subp. 40a)

TEMPORARY INELIGIBILITY
When a family has been receiving child care assistance and a change makes them ineligible and the ineligibility is believed to be temporary, the family’s position in CCAP should be reserved. The case remains active for a maximum of 90 days, one academic semester/quarter, or until deactivated from military service (if a family had been receiving child care assistance but increased income from active military service made them ineligible). Payments cannot be made while a family is temporarily ineligible. See Chapter 8.6 (Temporary Ineligibility).
(Legal Authority: Minnesota Statutes 119B.09, Subd. 4a; Minnesota Rules 3400.0040, Subp. 17)

TODDLER
- **Licensed Family Child Care**: A child is a toddler at 12 months of age up to 24 months of age.
- **Legal Non-Licensed Family Child Care**: Follow the Licensed Family Child Care Definition.
- **Licensed Center Child Care**: A child is a toddler at 16 months of age up to 33 months of age. A child in center care may be considered to be a toddler up to 35 months of age for purposes of staff ratios, group size, and programming with agreement of parent, teacher, and director if this decision is in the best interest of the child.
- **License Exempt Centers**: Follow the Licensed Center Child Care definition.
(Legal Authority: Minnesota Statutes 245A.02, Subd. 19; Minnesota Rules 9503.0005; Minnesota Rules 9503.0040)

TRANSITION YEAR CHILD CARE
Child care assistance used to support employment or job search for families who have received MFIP assistance or who were eligible to receive MFIP assistance after choosing to discontinue receipt of the cash portion of MFIP assistance or who have received DWP assistance for at least 3 of the last 6 months before losing eligibility for MFIP or DWP. Transition year child care is not available to families who have been disqualified from MFIP or DWP due to fraud.
(Legal Authority: Minnesota Statutes 119B.011, Subd. 20)

TRANSITION YEAR EXTENSION CHILD CARE
Child care assistance used to support employment or job search for families who have completed their transition year of child care assistance and who are eligible for, but on a waiting list for, basic sliding fee services, for the duration of time necessary for the families to be moved from the basic sliding fee waiting list into the basic sliding fee program.
(Legal Authority: Minnesota Statutes 119B.011, Subd. 20a)

UNITARY RESIDENCE
The 2-month period when a county remains financially responsible for child care assistance benefits after a participant moves from that one county to another county.
Counties apply Minnesota Family Investment Program (MFIP) sanctions when participants do not cooperate with employment services or with child support enforcement. Sanctioned participants are NOT removed from the MFIP assistance unit. Instead counties reduce the amount of the MFIP grant.

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

**NON-COOPERATION WITH CHILD SUPPORT**

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

**NON-COOPERATION WITH EMPLOYMENT SERVICES (ES)**

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

In general, do not approve an adverse action until the participant has actually been sanctioned. This does not happen until after the Notice of Intent to Sanction Phase. Notification that the participant has been sanctioned should come from the Job Counselor, not the financial worker. The date the sanction is imposed for MFIP is not necessarily the same as the date that the sanction affects the family’s CCAP benefits. See CCAP Policy Manual Chapter 16.1 (CCAP Authorizations for Clients with an EP).

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

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

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

You may continue to authorize child care assistance: for job search and/or employment, even in cases where the participant is sanctioned for not complying with these activities, when:
- The participant is seeking employment (up to 240 hours).
- The participant is working an average of 20 hours per week, or 10 hours per week if they are a full-time student, receiving at least the applicable minimum wage for all hours worked. The educational activity does not need to be approved in the Employment Plan for the 10 hour requirement to apply.

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

Reauthorize child care for all authorized activities if a participant subsequently complies with their full Employment Plan effective that date of compliance.
If an MFIP case closes due to the 7th occurrence sanction, the family is no longer eligible for MFIP Child Care. When a family loses eligibility for MFIP Child Care due to a 7th occurrence Employment Services sanction, assess a family's eligibility for TY. If the family does not meet the eligibility requirements for TY, assess eligibility for BSF. Refer to Chapter 4.3.6 Transition Year (TY) and Chapter 4.3.12 Basic Sliding Fee (BSF).

LEGAL AUTHORITY
Minnesota Statutes 119B.011 to 119B.24
Minnesota Statutes 256J
Require all new applicants and current recipients to cooperate with child support for all minor children in the home with an absent parent. See Chapter 4.9.3 (Child Support Enforcement Referral Process).

Consider applicants to be cooperating when the Referral to Support and Collections form (DHS-3163B-ENG) is signed and filled out.

Cooperation with child support may include:
- Establishing paternity.
- Establishing a support order.
- Modifying a support order.
- Enforcing of an existing support order.

It also includes the following, as determined necessary by child support enforcement:
- Providing all known information relevant to the absent parent such as name, address, social security number, phone number, place of employment or school, and the names and addresses of any relatives.
- Appearing at interviews, hearings and legal proceedings.
- If under a judicial or administrative order, submitting to genetic tests including genetic testing of the child.
- Providing additional information necessary to cooperate in good faith with the child support agency.

If a court order establishes child care support for a child in care and subsidized by the Child Care Assistance Program, require the parent to assign this type of support to the State. Assignment of child care support is a condition of eligibility for child care. The Referral to Support and Collections form (DHS-3163B-ENG) is used for this purpose. If a client is receiving or has applied for the Minnesota Family Investment Plan Program (MFIP), it is the financial worker’s responsibility to have an applicant complete and sign the Referral to Support and Collections form (DHS-3163B-ENG). Notify the applicant or recipient in writing of the right to claim a good cause exemption from cooperation with child support enforcement. If the client claims good cause, the Cooperation with Child Support Enforcement-Client Statement of Good Cause (DHS-2338-ENG) is used. See Chapter 4.9.6 (Child Support Good Cause Claim).

If an applicant or participant claims Good Cause and has been issued an identification card by the Secretary of State showing that they are a participant in the Safe at Home program, the Good Cause Committee should automatically grant the Good Cause. The Department of Human Services (DHS) policy accepts participation in the Safe at Home program as clear evidence that there are significant safety concerns. If the Safe at Home participant does not claim Good Cause, the child support case must remain open to establish or enforce a court order, while the address continues to be protected.


Consider applicants to NOT be cooperating when the family refuses to sign the Referral to Support and Collections (DHS-2338-ENG) form.

LEGAL AUTHORITY
Minnesota Rules 3400.0040
COOPERATION WITH CHILD SUPPORT

Minnesota Statutes 119B.09
Minnesota Statutes 256.741
If a family completes the Cooperation with Child Support Enforcement (DHS-2338) and claims good cause, the family does not need to complete the Referral to Support and Collections (DHS-3163B) and the Child Care Assistance Program worker does not need to wait to open child care until good cause is approved. The county’s Good Cause committee will approve or deny the family's good cause claim. If the family’s good cause claim is denied, the family must complete the Referral to Support and Collections (DHS-3163B). Allow 15 days for the parent to complete and return the forms. If the Referral to Support and Collections (DHS-3163B) is not completed and returned within 15 days, close the CCAP case with a 15 day notice.

If an applicant or participant claims Good Cause and has been issued an identification card by the Secretary of State showing that they are a participant in the Safe at Home program, the Good Cause Committee should automatically grant the Good Cause. The Department of Human Services (DHS) policy accepts participation in the Safe at Home program as clear evidence that there are significant safety concerns. If the Safe at Home participant does not claim Good Cause, the child support case must remain open to establish or enforce a court order, while the address continues to be protected.


If a family's good cause claim is approved it applies to all programs (eg. CCAP, MFIP, health care for 12 months). If a new CCAP application is submitted and the family has an approved good cause claim that was initiated for any program and was approved during the past 12 months a new Client Statement of Good Cause (part of the Cooperation with Child Support Enforcement) does not need to be completed. If a new CCAP application is submitted more than 12 months past the last good cause approval a new Client Statement of Good Cause should be completed.

For active CCAP cases where good cause has been approved and a good cause review exemption has not been granted, MEC2 will send the CCAP worker an alert 30 days prior to the next good cause review date. The Notice of Child Support Good Cause Redetermination (DHS-3630) must be sent by the worker.

When a good cause review exemption is granted, the Notice of Child Support Good Cause Redetermination (DHS-3630) is not sent to the family. Instead, at the beginning of the biweekly period in which the anniversary occurs, MEC2 will send the CCAP worker an alert to send a Notice of Child Support Good Cause Approval (DHS-3629). The Notice of Child Support Good Cause Approval must be sent manually by the worker.

LEGAL AUTHORITY
Minnesota Rules 3400.0040
Minnesota Statutes 119B.09
Minnesota Statutes 256.741
Citizenship or immigration status of the child seeking assistance can affect eligibility. United States citizens are always eligible if they meet other eligibility criteria. Eligibility of non-citizens depends on the setting where child care will be provided and their United States Citizenship and Immigration Services (USCIS) classification. See Chapter 7.12 (Verifying Citizenship and Immigration Status) for information on how to verify immigration status.

Citizenship and immigration status do not affect a non-citizen’s eligibility to participate in Head Start or non-postsecondary educational programs. Consequently, when child care assistance will be used to pay for child care 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 education standards, citizenship or immigration status does not have to be determined or verified.

The child is the beneficiary of child care assistance benefits. Therefore, when child care is provided in a setting not subject to public educational standards, the county must verify only the citizenship and immigration status of the child for whom child care assistance is sought. Do not ask for citizenship or immigration information from anyone in the family other than the child for whom child care assistance is sought.

Immigration status can change. Check with participants at appropriate intervals to see if the child’s status has changed. For example:

- Check when the citizenship waiting period is over.
- Check at the ending date for non-citizens who are granted status with an ending date.

Non-citizens are people present in the United States who have not attained United States citizenship by birth or naturalization. Non-citizen children who are lawfully residing in the United States meet the technical requirement for immigration status. Non-citizens fall into the following broad categories:

- **LAWFUL PERMANENT RESIDENTS (LPR):** LPRs are immigrants who have been granted permission to live and work in the United States on a permanent basis.

- **PEOPLE FLEEING PERSECUTION:** Includes refugees, people granted asylum or withholding of deportation (or removal), Cuban or Haitian entrants, and Amerasian immigrants from Vietnam.

- **LAWFULLY RESIDING NON-CITIZENS:** Includes people with permission to live and work in the United States on a temporary basis, such as people granted parole, temporary protected status (TPS), deferred enforced departure (DED), or other temporary status.

- **NON-IMMIGRANT:** People such as tourists, students, business visitors, diplomats, and others who have permission to enter the United States for a limited period of time, but have not abandoned their residence in their home country.

- **UNDOCUMENTED PEOPLE:** People who do not have permission to enter or stay in the United States.
Deny 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 children for whom assistance is being sought or paid have a citizenship or immigration status that makes them eligible for child care assistance.

LEGAL AUTHORITY
Minnesota Rules 3400.0040
Minnesota Statutes 119B.025
Exclude the following types of income. All excluded income must be verified. See Chapter 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. (See optional tools Student Income Calculation Form – Child Care Assistance Program Caseworker Tool (DHS-6974) and Child Care Assistance Program Student Income and Expense Form (DHS-6974A) for guidance.)
- Student loans for tuition, fees, books and living expenses. (See optional tools Student Income Calculation Form – Child Care Assistance Program Caseworker Tool (DHS-6974) and Child Care Assistance Program Student Income and Expense Form (DHS-6974A) for guidance.)
- 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 Minnesota Family Investment Program), 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 Chapter 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 high school 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 Child Care Assistance Program 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
Annualize income to determine eligibility for child care assistance. There are several methods used by MEC to annualize income. The worker should enter in the individual income components supported by the verification documents and MEC will calculate the annualized income amounts. See case example below. The individual components needed within MEC will vary depending upon the type of income.

The income components used in MEC include:

- Payment Frequency: This field identifies how often the income is paid to the client
- Income Projection Amount: This field identifies the amount to be used by MEC in the annualized income calculation.
- Income Projection Payment Frequency: This field identifies the payment frequency to be used by MEC in the annualized income calculation.
- Income Projection Hours per Week: This field identifies the hours per week to be used by MEC in the annualized income calculation if necessary. Not all annualized income calculations require the hours per week.

Most often the Payment Frequency and Income Projection Payment Frequency periods will be the same.

MEC uses the following multipliers to annualize income:

- Multiply a weekly income projection payment frequency by 52.
- Multiply a biweekly income projection payment frequency by 26.
- Multiply a semimonthly income projection payment frequency by 24.
- Multiply a monthly income projection payment frequency by 12.

If the individual income component information entered into MEC is not supported by the verification information, it is recommended that the worker include a detailed case note describing the relationship between the individual income components and the verification information.

If there is a change in income (for example, starting work or an increase in the average number of hours worked), begin a new 12-month annualization period. Enter the income components into MEC and the system will calculate the new annualized income.

**Case Example**
Worker receives four earned income pay stubs as verification from client. Each pay stub shows the following gross wages per week at an hourly wage of $12.00 per hour and hours worked per pay period.

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

After discussions with the client, worker and client have determined the best indicator of future income should be the average of the data from pay periods 3 and 4. The worker would enter in the following information into MEC:

- Payment Frequency: Weekly (client receives payment weekly)
- Income Projection Amount: 336 (average of 312 and 360)
- Income Projection Payment Frequency: Weekly
- Income Projection Hours per Week: 28 (average of 30 and 26)
ANNUALIZING INCOME 6.15

Alternatively, the worker could enter the following information into MEC2:

- Payment Frequency: Weekly (client receives payment weekly)
- Income Projection Amount: 12
- Income Projection Payment Frequency: Hourly
- Income Projection Hours per Week: 28 (average of 30 and 26)

The worker and client determined that using all the pay stubs did not provide the best indicator of future income, therefore it is recommended that the worker include a case note in the file identifying why all the verifications provided were not used and how the individual income components entered into MEC2 were calculated. An example of a case note follows.

**Case Note**
Based on discussions with the client, it was determined the best indicator of future income should be the average of the data from pay periods 3 and 4. Worker used this information to determine the income components entered into MEC2. Income Projection Amount: 336 (average of 312 and 360 from pay periods 3 and 4), Income Projection Hours per Week: 28 (average of 30 and 26 from pay periods 3 and 4).

**LEGAL AUTHORITY**
Minnesota Statutes 119B.09
Minnesota Rule 3400.0170
Minnesota Statutes 119B.011
ANNUALIZING MFIP & EARNED INCOME

The cash portion of the Minnesota Family Investment Program (MFIP) grant carries over from MAXIS and is included in the MEC² calculation of the annualization of unearned income for the family.

The financial worker determines MFIP eligibility and grant amount prospectively for the first 2 months of participation and retrospectively thereafter. This means that when an MFIP participant begins working, the earned income is not budgeted against the MFIP grant until 2 months later. For example, an MFIP participant who begins working in September sees a grant reduction in November based on September earnings.

In situations where the parent begins working, MEC² annualizes the full MFIP grant for 12 months even though the MFIP grant would be reduced for a portion of that period due to earned income. When a parent on MFIP starts employment, it may be necessary to calculate the MFIP grant offline and enter the correct annualized MFIP income amount into MEC² using a system override. Consult with the MFIP worker to determine the offline MFIP grant calculation. It is recommended that the worker document in case notes how they arrived at the calculated amount. Refer to the MEC² User Manual for procedures on annualizing reduced MFIP income.

LEGAL AUTHORITY
Minnesota Statutes 119B.09
Minnesota Rules 3400.0170
Minnesota Statutes 119B.011
ANNUALIZING SELF-EMPLOYMENT INCOME 6.15.6

To annualize self-employment income and determine income eligibility, do the following:

1. Determine Gross Self Employment Receipts
2. Determine the operating Expenses.
3. Subtract the operating Expenses from the Gross Self Employment Receipts.
4. Any negative self-employment income must be included in the determination of annual income, resulting in a reduction in total annual income.

NOTE: You must annualize self-employment income BEFORE you determine the number of hours to authorize.

For information on determining the number of hours to authorize, see Chapter 9.15.1 (Authorized Hours – Self-Employment).

Allow operating expenses that are allowed by the Internal Revenue Service (IRS), unless specifically prohibited. The following expenses are NOT allowed.

- Purchases of capital assets.
- Payments on the principal of loans for capital assets.
- Depreciation.
- Amortization.
- The cost of building an inventory, until the time of the sale.
- Transportation costs exceeding the amount allowed by the Internal Revenue Service for use of a personal car (See IRS Standard Mileage Rate website for current mileage rate).
- Transportation costs between home and the place of employment.
- Wages and salaries paid to and other employment deductions made for members of a family for whom an employer is legally responsible, provided family income is only counted once.
- Monthly expenses for each roomer greater than the flat rate deduction listed in the Combined Manual issued by the Department of Human Services.
- Monthly expenses for each boarder greater than the flat rate deduction listed in the Combined Manual issued by the Department of Human Services.
- Monthly expenses for each roomer-boarder greater than the flat rate deduction listed in the Combined Manual issued by the Department of Human Services.
- Annual expenses greater than 2% of the estimated market value on a county tax assessment form as a deduction for upkeep and repair against rental income.
- Federal, state and local income taxes.
- The employer’s own share of FICA.
- Money set aside for the self-employed person’s own retirement.

Receipts are budgeted in the month received. See Chapter 7.9 (Income Verification).

Expenses are budgeted against receipts in the month paid except:

- Purchase of inventory must be deducted at the time payment is received for the sale.
- Expenses paid at least annually, but less often than monthly must be prorated forward over the period in which they are intended to cover (cannot exceed 12 months). Examples of this would be unemployment taxes or insurances.

LEGAL AUTHORITY

Minnesota Statutes 119B.09
Minnesota Rules 3400.0170
Minnesota Statutes 119B.011
There are both state-minimum-wage laws and federal minimum wage laws. In cases where an employee is subject to both the state and federal minimum wage laws, the employee is entitled to the higher of the two minimum wages. [Website](www.dli.mn.gov/LS/FedMinWage.asp).

The federal minimum wage should be applied to contracted, salaries, or self-employed applicants or participants unless the person can supply information to show that they are not subject to this standard. The county should work with the applicant or participant to identify the correct applicable amount if the person believes that they should not be subject to the Federal minimum wage but verification is not available.

The above links provide the contact information for the MN Department of Labor and Industry.

If a worker receives an hourly wage from their employer and they are not self employed, contracted, or salaried, assume that the applicable minimum wage is being paid by the employer.

Some employers employ disabled persons and may qualify for disabled-worker permits. To pay a disabled person less than the state minimum-wage, an employer must apply for a subminimum-wage permit from the Minnesota Department of Labor and Industry. Under these circumstances, the wage paid should be regarded as the ‘applicable minimum wage’ and meet Child Care Assistance Program requirements. Refer to Minnesota Department of Labor and Industry link listed above.

**LEGAL AUTHORITY**

- Minnesota Statutes 119B.10
- Minnesota Rules 3400.0040
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:

**BI-WEEKLY COPAYMENT SCHEDULES effective October 13, 2014 (PDF DHS-6413C)**

**BI-WEEKLY COPAYMENT SCHEDULES effective October 14, 2013 (PDF DHS-6413B)**

**BI-WEEKLY COPAYMENT SCHEDULES effective October 1, 2012 (PDF DHS-6413A)**

**BI-WEEKLY COPAYMENT SCHEDULES effective October 3, 2011 (PDF DHS-6413)**

Contact your agency's Technical Assistance Liaison at the Minnesota Department of Human Services for previous copayment schedules.

**LEGAL AUTHORITY**
Minnesota Statutes 119B.12
Minnesota Rules 3400.0100
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. A Minnesota Family Investment Program/Diversionary Work Program (MFIP) Employment Plan (EP) cannot be used as verification of income.

All income must be verified using the documentation that is the best indicator of future income. The recommended standard is the most current 30 days of verification for income other than child support tracked through PRISM. For child support tracked through PRISM, the recommended standard is the last six months of information. If the worker uses something other than these standards, it is recommended that they case note why they deviated and how verification is used to support the income components required in the calculation of annualized income.

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

- Self-employment income: If existing verification is insufficient to accurately predict self-employment income (for example in the start-up phase of self-employment) a client statement may be used to verify self-employment income.
  - 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.
- 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.
  - In these situations the client 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

- Paycheck Stubs
  - Ask if the applicant or recipient has paycheck stubs for the timeframe that is the best indicator of future income. The recommended standard is the most current 30 days of verification. The paycheck stubs should specifically identify the number of hours worked, gross income based on those hours, payroll period covered, client and employer name.
  - The worker may also use year-to-date totals as the best indicator of future income.
  - If something other than the recommended standard is used to calculate the income components, it is recommended that the worker case note what was used and how it was used to determine the income components.
- Employer Statement
  - If paycheck stubs are not available, or do not contain all the necessary information, ask the applicant or recipient to provide a letter from the employer on company letterhead with the necessary information.
  - If an employer statement is used as verification, the worker must request paycheck stubs as soon as they become available and reconcile the information on the employer statement to the
INCOME VERIFICATION

- 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.

- If business records and personal records are not separate, ask the parent to separate income records and resubmit according to Child Care Assistance Program requirements.

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

- If 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 that amount 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 documentation from a timeframe that is the best indicator of future income. The recommended standard is the most current 30 days of verification, excluding child support tracked through PRISM.

- For child support tracked through PRISM, the last six months of information is the recommended standard.

- For child support that is not tracked through PRISM, the recommended standard is the most current 30 days of verification.

- If the worker uses something other than these standards to calculate the income components, it is recommended that the worker case note what was used and how it was used to determine the income components.
Examples of acceptable documentation of unearned income include but are not limited to:

- Court documents providing child support and/or spousal maintenance amounts.
- Documentation from the Child Support and Collections office. In cases where there is a previously agreed upon child support arrangement and the absent parent refuses to sign a verification of payment, the applicant may self-declare child support income during the initial application but must agree to cooperate with child support enforcement by completing the required paperwork. The self-declared child support received is included in the annualization of income.
- Award letters from the Social Security Administration, the Veterans’ Administration, etc.
- Bank Statements indicating interest paid on a specific account.
- Copies of checks for pensions, trust funds, annuities, unemployment compensation, etc.
- Cash settlements/awards/winnings may be verified through copies of the “letters of award” or court order or other applicable items.
- Financial aid award letter. (Unearned and excluded student income and expenses can be verified in many ways. See optional tools Student Income Calculation Form – Child Care Assistance Program Caseworker Tool (DHS-6974) and Child Care Assistance Program Student Income and Expense Form (DHS-6974A) for additional guidance and options.

**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
Participants in the Safe At Home (SAH) Program must provide the county with a Safe At Home Identification Card that verifies that they are participating in the program. Participants use the Safe At Home P.O Box along with a unique Lot number assigned to them by the Secretary of State's office as their actual address of their residence and employment.

Safe At Home participants only need to tell the county agency the county where they actually live as verification.

Because there may be a delay in the mail forwarding process, public assistance program notices may not be received by the participants when anticipated and the ability of the participant to respond timely will be affected. County workers will need to make exceptions in these situations.

If an applicant or participant claims Good Cause and has been issued an identification card by the Secretary of State showing that they are a participant in the Safe at Home program, the Good Cause Committee should automatically grant the Good Cause. The Department of Human Services (DHS) policy accepts participation in the Safe at Home program as clear evidence that there are significant safety concerns. If the Safe at Home participant does not claim Good Cause, the child support case must remain open to establish or enforce a court order, while the address continues to be protected. See Combined Manual Chapter 12.21.06 (Child Support Good Cause Exemptions).

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

LEGAL AUTHORITY
Minnesota Rules 8290
Child Care Assistance Program participants are required to verify certain information as a condition of eligibility and to authorize care. See Chapter 7 (Verification).

For families who have received public assistance benefits through the Minnesota Department of Human Services and/or the county human service agency(s), this may mean certain information can be verified through MAXIS or various other Department systems or interfaces. This happens in two ways:

- Information is verified directly through a third-party interface. Examples of information that can be verified directly through a third-party interface include, but are not limited to:
  - Social Security numbers (SSN). An interface between MEC² and the Social Security Administration (SSA) will verify all Social Security Numbers by entering a validation code on the MEC² Member window. If the client information does not match the Social Security Number, the worker will get an Alert. The message will list the discrepancy that needs to be clarified. To clarify the information, compare the information on the Member window to the case file or contact the client for more information.
  - Social Security income verified directly through the State Verification Exchange System (SVES) interface on MAXIS. The State Verification Exchange System interface is an exchange with the Social Security Administration (SSA), which allows workers with access to verify Retirement, Survivors, and Disability Insurance (RSDI) and Supplemental Security Income (SSI) benefit information. Information coded on the STAT/UNEA panel in MAXIS does not qualify as being verified directly from the Social Security Administration; verification must come from the SVES interface.
  - Disbursed Child Support income verified directly through PRISM. For child support tracked through PRISM, the last six months of information is recommended. See Chapter 7.9 (Income Verification). Income coded on the STAT/UNEA panel in MAXIS does not qualify as being verified directly from Child Support Enforcement; verification must come from PRISM.
  - Identity and/or citizenship information verified through an Social Security Administration interface on the STAT/MEMI panel in MAXIS. The “SSA/MA Citizenship Verification” field on the STAT/MEMI panel in MAXIS interfaces directly with the Social Security Administration. If this field is coded with an “A” (indicating that citizenship was verified through the Social Security Administration), the Child Care Assistance Program recognizes this as acceptable verification of identity for that member of the Child Care Assistance Program family and/or citizenship for that child.

- Verification information is shared through integrated fields in the MAXIS and MEC² systems. When verification information from an integrated MAXIS field carries over to MEC², but there is no documentation in the child care file, the worker must do the following:
  - Confirm that verification exists within the agency. Document in Case Notes what action was taken to confirm this information. In addition, note the type of documentation on file and how it was used to establish eligibility for the Child Care Assistance Program.

OR

- Request a hard copy of the verification for the child care case file.

Counties are responsible for developing best practices for inter-agency communication to determine whether system documentation exists and meets Child Care Assistance Program verification requirements. These practices must be applied consistently.
CASE FILE VERIFICATION

The Internal Revenue Service has special requirements for safeguarding federal tax information (FTI) generated by the Income and Eligibility Verification System (IEVS). For more information about what qualifies as federal tax information and how to prevent unauthorized use and disclosure of this information, see Combined Manual 0010.24.21 (IEVS Safeguarding Responsibilities).

Social Security information gathered from the State Verification Exchange System (SVES) interface is NOT considered federal tax information. Specific protocols for safeguarding federal tax information when gathering and documenting information do NOT apply to information gathered through the SVES interface.

Generally, child care workers must obtain hard copies of income verification for the child care file. See Chapter 7.9 (Income Verification). Exceptions occur when income is verified through a third-party interface. When information is verified using a third-party interface, record the source of the verification and make a screen print of the third-party interface for the case file.

- When income from Social Security is verified using the SVES interface:
  - Make a screen print of the SVES interface information for the child care case file.
  - Record a generic reference in Case Notes that includes the type of income, the date of the SVES interface response, and that a printed record of the interface information is available in the case file. As a precaution, do not include detailed information in Case Notes. For example, do NOT copy and paste any information gathered from the SVES interface and/or TPQY result messages into Case Notes.

- When income from Child Support is verified using PRISM, screen prints are not required.

LEGAL AUTHORITY

Minnesota Statutes 119B.025
Minnesota Rules 3400.0040
Minnesota Rules 3400.0170
Verification of employment schedule and/or class schedule is required at application, redetermination, when there is a change in activity, and when there is a change in schedule. The schedule must show the days and times worked or the days and times that classes meet.

**MINNESOTA FAMILY INVESTMENT PLAN/DIVERSIONARY WORK PROGRAM (MFIP/DWP) FAMILIES WITH AN APPROVED EMPLOYMENT PLAN**

For MFIP or DWP families with an approved Employment Plan, verification of the Parentally Responsible Individual PRI’s employment and education schedule is not required for activities included in the Employment Plan if the job counselor has indicated what the PRI’s schedule is OR what days and times that child care is needed. The CCAP worker does not need to ensure that the job counselor obtained verification of the schedule.

**FLEXIBLE EMPLOYMENT SCHEDULES**

For a PRI with a flexible employment schedule, a statement with the typical days and times worked or the possible days and times worked is allowable. The statement could be written by the job counselor for MFIP/DWP families with an approved Employment Plan, the employer, or the PRI if proof is not available despite the best efforts of you and the client. Once verification of the flexible schedule has been provided, clients must report and verify schedule changes that do not fall within the range reported on the schedule verification of typical or possible days and times worked. Clients do not need to report or verify schedule changes that fall within the range reported on the schedule verification of typical or possible days and times worked.

**VERIFICATION TYPES**

Examples of acceptable verification of schedule include, but are not limited to a:

- Class schedule with days and times of class, printed from a website.
- Statement from the employer with the days and times that the PRI is scheduled to work. This could be an email from the employer using an employer email address.
- Paystub if the days and times worked are listed.
- Copy or picture of the schedule that the employer posts to show the days and times that the PRI is scheduled to work.

If proof is not available despite the efforts of you and the client, you may obtain a signed statement from the PRI with the days and times worked or the days and times that classes meet, attesting to the correctness of the information. For the purpose 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 employment schedule and/or class schedule is needed to determine the appropriate number of hours of care to authorize. Verification of employment schedule and/or class schedule is NOT a condition of eligibility. If verification of the employment schedule and/or class schedule is not provided but all other eligibility requirements are met, 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
The Weekly Authorization to High Quality Providers policy is effective August 4, 2014. This policy is designed to support consistent care scheduled for young children attending high quality care and to allow for higher Child Care Assistance Program (CCAP) payments.

Under this policy, some children attending high quality care can be authorized for more hours than they would normally be eligible for. Their providers can be paid up to the applicable weekly maximum rate, not to exceed the provider’s charge. See Chapter 9.24 (Provider Rates) and Chapter 9.24.3 (Child Care Rates, Registration Fees, Copayments) for more information about the applicable maximum rates. This policy allows the parent and provider to determine a schedule of care that is not tied to the specific days and times that the parent is in an authorized activity. The child may attend care according to the schedule of care, even if some of the care is not needed to support the parent’s activities. Under this policy, the Child Care Assistance Program may routinely pay providers for some scheduled and authorized care that is not needed to support the parent’s activities. When these payments occur in line with this policy they are not overpayments unless other policy guidelines are not being followed.

PROVIDER REQUIREMENTS

Providers must be eligible for a higher rate for quality in order to be eligible for this policy. Eligible providers are:

- Providers with a three or four-star Parent Aware rating. See Chapter 9.30 (Higher Rates for Quality – Parent Aware Rated Providers).
- Centers accredited by certain organizations. See Chapter 9.27 (Higher Rates for Quality – Accreditation/Credential).
- Licensed family child care providers that hold certain current early childhood development credentials or are accredited by the National Association for Family Child Care. See Chapter 9.27 (Higher Rates for Quality – Accreditation/Credential).

County identified/Department of Human Services (DHS) approved at-risk providers are eligible for this policy if they meet the provider requirements. See Chapter 9.54 (Special Needs) for more information on at-risk providers.

Legal nonlicensed providers are not eligible for this policy.

CHILD REQUIREMENTS

To be eligible for this policy, the child must:

- Be ages zero through five but not yet in kindergarten,
- Qualify for at least 30 hours of child care per week at the high quality provider, and
- Attend a high quality provider.

The child is no longer eligible for this policy when:

- The child turns six,
- The child starts kindergarten,
- The child qualifies for less than 30 hours of child care per week at the high quality provider, or
- The child stops attending a high quality provider.

When a child is no longer eligible for this policy and the number of hours authorized is reduced, a 15 day notice of adverse action is required.

Qualifying for 30 hours of child care per week

The child must qualify for at least 30 hours of child care per week at the high quality provider to be eligible for this policy:
Weekly Authorization To High Quality Providers 9.1.12

- Determine the number of hours that the child qualifies for using the guidance for authorizing child care in Chapter 9.1 (Child Care Authorization).
- Count authorized hours needed for travel time and breaks toward meeting the 30 hours of child care needed per week.
- In a two-parent family, count only times when a parent is not available to care for the child towards the 30 hours of child care needed per week.
- The amount of care needed can be averaged between two weeks to meet the 30 hours of child care needed per week. For example, if child care is needed for 20 hours one week and 40 hours the next week, that averages to 30 hours per week and the child would qualify for this policy.

Children may have more than one provider. The child must qualify for at least 30 hours of child care per week at an individual high quality provider to be eligible for this policy.

AUTHORIZING CARE

Children that qualify for this policy will have Service Authorizations that authorize 50 hours of care per week (100 hours biweekly). Children who previously would have been authorized for 30 to 49 hours per week (60 to 99 hours per weekly period) will be authorized for 50 hours per week (100 hours biweekly).

The parent and provider can determine a schedule of up to 50 hours per week (100 hours biweekly). If the parent and provider agree to a weekly schedule of care, it will typically result in payment at the applicable maximum weekly rate, not to exceed the provider’s charge. Providers are not required to offer the full 50 hours of care per week (100 hours biweekly).

MEC² will determine whether a child is eligible for the Weekly Authorization to High Quality Providers and generate Service Authorizations with 50 hours of care per week authorized (100 hours biweekly).

CHILD’S PROVIDER WINDOW

The number of hours on the Child’s Provider Window will not match the number of hours on the Service Authorization for children eligible for the Weekly Authorization to High Quality Providers. This is appropriate.

Workers should continue to enter the number of hours that the child is eligible for on the Child’s Provider Window, according to the guidance in Chapter 9.1 (Child Care Authorization). A new Service Authorization will be generated each time the Child’s Provider Window is updated. If nothing has changed since the previous Service Authorization, the worker should approve the Service Authorization but may then cancel the Service Authorization notice. This would prevent the family and provider being confused when they receive a new Service Authorization that is exactly the same as their previous Service Authorization. We recommend that the worker case notes when a notice is cancelled.

It is important to update the Child’s Provider Window even though it may not change the Service Authorization. When a child stops meeting the requirements for this policy (turns six, starts kindergarten, needs less than 30 hours of care per week, or the provider’s status as a high quality provider ends), the number of authorized hours shown on the Service Authorization will go back to being the number on the Child’s Provider Window. Therefore, it is important that the Child’s Provider Window is accurate.

MULTIPLE PROVIDERS

If a child has multiple providers, this policy may or may not benefit the child. The number of hours that can be paid per biweekly period is 120 hours. If the child meets the requirements and attends a high quality provider for at least 30 hours per week, the child will be eligible for 50 hours of care per week (100 hours biweekly). Increasing the authorization to 100 hours biweekly means that there are only 20 hours of
Weekly Authorization To High Quality Providers 9.1.12

care left for the child's other provider(s). This may not meet the family's needs if a child has multiple providers, work with the family to determine whether 50 hours of care should be authorized with the high quality provider (100 hours biweekly). If the child has multiple providers, the family can choose to not have the high quality provider authorized for 50 hours of care per week (100 hours biweekly).

INFORMATION FOR PARENTS AND PROVIDERS

The Child Care Assistance Program (CCAP) Weekly Authorization to High Quality Providers (DHS-6954-ENG) may be sent to providers eligible for this policy.

The Child Care Assistance Program (CCAP) Weekly Authorization to High Quality Providers (DHS-6954A-ENG) may be sent to families eligible for this policy.

LEGAL AUTHORITY

Minnesota Statutes 119B.13, Subd. 3c
CCAP MAXIMUM RATES

- Minnesota Child Care Assistance Program table listing the maximum rates that Family Child Care/Legal Non-Licensed and Child Care Center providers without a quality designation can be paid. [Minnesota Child Care Assistance Program Standard Maximum Rates - No Quality Differential (Effective February 3, 2014) (PDF) (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/Legal Non-Licensed and Child Care Center providers can be paid. [Minnesota Child Care Assistance Program 15 Percent Quality and 3–star Parent Aware Differential Maximum Rates (Effective February 3, 2014) (PDF) (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 the Child Care Assistance Program. [Minnesota CCAP Maximum Child Care Registration Fees (Effective November 28, 2011 - current) (PDF) (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 13, 2014-present) (PDF) (DHS-6413C-ENG)]

See Chapter 14.6 (Amount of Overpayment) for links to expired rates and expired copayment schedules.

LEGAL AUTHORITY

Minnesota Statutes 119B.13
Minnesota Rules 3400.0100
Minnesota Rules 3400.0130
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).
- A diploma in child development from a Minnesota state technical college.
- An associate's degree in child development.
- A bachelor's degree or post-baccalaureate degree in early childhood education from an accredited college or university.
- Accreditation by the National Association for Family Child Care.
- Competency Based Training and Assessment Program Certificate.

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
- 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)

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

Centers that are not accredited by one of the above organizations are NOT eligible for the higher rate. Centers that are accredited by an organization other than the ones listed above are NOT eligible for the higher rate. The 15 percent higher rate for quality can be paid to both licensed and legal 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 (PDF) (DHS-6442B).

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 Chapter 14 (Overpayments). The Department of Human Services (DHS) has developed a Quality Differential Rate Request Form (PDF) (DHS-4795) that providers may use when requesting the higher rate.

Providers 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
Highly-Rated child care and early education programs participating in Parent Aware Ratings 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 Chapter 9.27 (Higher Rates for Quality – Accreditation/Credential).

- Three-Star Parent Aware Rated providers that hold an 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 Ratings is Minnesota’s Child Care Quality Rating and Improvement System. For more information about Parent Aware, visit www.parentaware.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
When the last day of the redetermination period is on or after August 4, 2014, families have 30 calendar days after their case closes to submit the redetermination form and all required eligibility verifications. If the family meets all eligibility requirements, child care assistance can be approved back to the date the case closed.

If any of the required eligibility verifications or the redetermination form itself is not received within 30 calendar days after the case closes, the case should remain closed. The family must submit a new application to re-apply for child care assistance. If the redetermination form (DHS-5274) is submitted after the 30 day reinstatement period, it cannot be used as a new application (DHS-3550). Follow policies for processing a new application. See Chapter 3.6 (Accepting and Processing Applications).

**INCOME**

If a complete redetermination form and all required verifications are received within 30 calendar days after the case closes:
- Family’s income must be below the exit level of 67% of State Median Income. See Chapter 6.3 (Income Limits).
- Family’s income does not need to meet the applicant income level. See Chapter 6.3 (Income Limits).

**BASIC SLIDING FEE (BSF) WAITING LIST**

If a complete redetermination form and all required verifications are received within 30 calendar days after the case closes, the family is not subject to the Basic Sliding Fee waiting list.

Some families receive child care assistance while on the Basic Sliding Fee waiting list. If a complete redetermination form and all required verifications are received within 30 calendar days after the case closes:
- Minnesota Family Investment Program/Diversionary Work Program (MFIP/DWP) Child Care for Student Parents child care can be approved back to the date the case closed. The family remains on the waiting list.
- Transition Year (TY) child care can be approved back to the date the case closed. The family remains on the waiting list.
- Transition Year Extension (TYE) child care can be approved back to the date the case closed. The family remains on the waiting list.
- Portability Pool (PP) child care can be approved back to the date the case closed, as long as the family has not exceeded the 6 month limit for Portability Pool child care. The family remains on the waiting list.

**ELIGIBILITY**

The family must meet all eligibility requirements to have their case reinstated. If the family does not meet all eligibility requirements the case should remain closed.

A family may meet all eligibility requirements for part, but not all, of the time between the case closing for no redetermination and when the worker processes the redetermination. If the family met all eligibility requirements for part of the time:

- If all eligibility requirements are met for a period of time directly after the case closed, but are not met at a later date, the case should be reinstated. After the case is reinstated, the case should close allowing for 15 days adverse action notice. The time period of continued eligibility would not be an overpayment unless the family failed to report a change timely.
- If all eligibility requirements are not met for the time period directly after the case closed, the case should remain closed.

**Example:** The case closed for no redetermination on September 10th. The family returned the redetermination form and all verifications on September 20th. The worker processed the redetermination on September 25th.

- The redetermination showed that the family stopped being in an authorized activity on September 15th. The family met all eligibility requirements on September 10th when the case closed for no
redetermination. The case should be reinstated back to September 10th. The case should close for no authorized activity allowing for 15 day notice from September 25th. There would not be an overpayment because the family reported the change in activity timely.

- If the redetermination showed that the family stopped being in an authorized activity on September 1st. The family did not meet all eligibility requirements on September 10th when the case closed for no redetermination. The case should remain closed.

SUSPENDED AND TEMPORARY INELIGIBLE CASES
If a complete redetermination form and all required verifications are received within 30 calendar days after a suspended case closed for no redetermination, the case can be reinstated back to the date the case closed, as long as the family has not exceeded the one year time limit for suspension.

If a complete redetermination form and all required verifications are received within 30 calendar days after a temporary ineligible case closed for no redetermination, the case can be reinstated back to the date the case closed, as long as the family has not exceeded the time limit for temporary ineligibility.

COPAY CHANGES
Information reported on the redetermination may change the family’s copay.

- A copay decrease is effective the biweekly period after the redetermination is processed.
- A copay increase requires a 15 day notice. Give 15 day notice from the day the redetermination is processed. The copay increase is effective the biweekly period after the 15 day notice. The time period with the lower copay is not an overpayment unless the family failed to report a change timely.

AUTHORIZED HOURS CHANGES
Information reported on the redetermination may change the number of hours authorized for a child.

- An increase in the number of hours authorized is effective the biweekly period after the redetermination is processed. Authorized hours may also be increased for biweekly periods prior to the date the redetermination was processed if the child qualifies for more hours.
- A decrease in the number of hours authorized requires a 15 day notice. Give 15 day notice from the day the redetermination is processed. The decrease in the number of hours authorized is effective the biweekly period after the 15 day notice. The time period with the higher authorized hours is not an overpayment unless the family failed to report a change timely.

SCHEDULE VERIFICATION
If schedule verifications are missing but all other required information has been returned within 30 calendar days after the case closes, the case should be reinstated but care should not be authorized. The family’s case should be suspended for a period of up to one year. See Chapter 8.9 (Suspending a Case).

Child care can be authorized when the schedule verifications are submitted. Child care can be authorized retroactively back to the date care was ended or six months prior to the date the Service Authorization is issued, whichever is later (assuming that the schedule provided applies to the time period when care was ended). See Chapter 9.3 (Payments to Providers), which states, “If a provider provided care for a time period without receiving a Service Authorization and a billing form for an eligible family, payment may only be made retroactively for a maximum of six months from the date the provider is issued a Service Authorization and billing form.”

INAPPROPRIATE REINSTATEMENT
Families whose eligibility and service authorization were reinstated when the completed redetermination form and/or required eligibility verifications were received after the last day of the 30 calendar day reinstatement period are considered inappropriate reinstatements. If it is discovered that a case was inappropriately reinstated, the worker must determine if an overpayment occurred. See Chapter 14 (Overpayments).
LEGAL AUTHORITY
Minnesota Statutes 119B.025
Minnesota Rules 3400.0180
Minnesota Rules 3400.0040
Before you can approve payment to any provider, that provider must register with your county. Registration is the process you use to determine whether the provider chosen by a family meets the requirements necessary for payment of child care assistance.

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

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

Use the following letters/notices for all provider types listed below. The templates of letters/notices are on eDocs.

Include the following attachments with all packets:

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

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

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

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

LEGAL AUTHORITY
Minnesota Statutes 119B.125
Minnesota Statutes 119B.011, Subd. 19a
To determine the amount of child care assistance the family and/or provider were actually eligible to receive, examine the following:

- Eligibility
- Copayment amount
- Authorized hours
- Payment amount

Child Care Assistance Program policies change over time. Consider the policies in place at the time an action occurred when determining whether an overpayment occurred and the amount of an overpayment.

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

**MAXIMUM RATES**

Maximum rates in place February 3, 2014 – current
- Standard Maximum Rates – No Quality Differential (PDF) (DHS-6441B)
- 15 Percent Quality Differential Maximum Rates (PDF) (DHS-6442B)
- 20 Percent Quality Differential Maximum Rates (PDF) (DHS-6824)

Expired Maximum rates in place November 28, 2011 – February 2, 2014
- Standard Maximum rates – Non-accredited (PDF) (DHS-6441A)
- Maximum Rates with Accredited/Credential Differential (15 percent differential) (PDF) (DHS-6442A)

Expired Maximum rates in place July 1, 2006 – November 27, 2011
- Standard Maximum Rates – Non-accredited (PDF) (DHS-6441)
- Maximum Rates with Accreditation/Credential Differential (15 percent differential) (PDF) (DHS-6442)

If care took place prior to the current copayment schedule effective October 14, 2014 - current, consult previous copayment schedules.

**COPAYMENT SCHEDULES**

- Copayment Schedules in effect October 13, 2014 – current (PDF) (DHS-6413C)
- Expired Copayment Schedules in effect October 14, 2013 – current (PDF) (DHS-6413B)
- Expired Copayment Schedules in effect October 1, 2012 – October 13, 2013 (PDF) (DHS-6413A)
- Expired Copayment Schedules in effect October 3, 2011 – September 30, 2012 (PDF) (DHS-6413)

Contact your agency’s Technical Assistance Liaison at the Department of Human Services 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 Chapter 2 (Glossary). Examples of documents needed to calculate a claim could be paystubs, W-2s, or employer statements.

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

If an employment plan is modified, the job counselor should notify the Child Care Assistance Program 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.

Sometimes it is discovered that a family continuously receiving child care assistance was ineligible for a period of time when Child Care Assistance Program (CCAP) family met the eligibility requirements for a subsequent period of time. The subsequent period of time begins with the next time the family supplied information that established their eligibility.

The following are examples of ineligibility and the begin date of the subsequent period of time:

- The family is ineligible because requested verifications were returned after the due date. The subsequent period of time begins on the date the agency received the requested verifications.
- The family is ineligible because they submitted a redetermination and all required verifications, showing eligibility requirements were met after the due date. If the last day of the redetermination period is before 8/4/14, the due date is the date the case closed. If the last day of the redetermination period is on or after 8/4/14, the 30 day reinstatement policy applies. See Chapter 10.6.6 (Redetermination Processing – Reinstatement). The subsequent period of time begins on the date the agency received the complete redetermination form with all required verifications.

Assess an overpayment for the period of ineligibility and determine if an overpayment exists for the subsequent period of time.
If the family was receiving Minnesota Family Investment Program (MFIP) child care:

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

If the family was receiving Basic Sliding Fee (BSF), Transition Year (TY), Transition Year Extension (TYE) or Portability Pool (PP) child care:

- If the period of ineligibility was shorter than the time period allowed for temporary ineligibility, an overpayment should only be assessed for the period of ineligibility. There would not be an overpayment assessed for the subsequent period of time when the family met eligibility requirements. See Chapter 8.6 (Temporary Ineligibility)

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

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

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

Example
Family was on child care assistance from January 1 to November 30. Family met eligibility requirements from January 1 to May 31. Family did not meet eligibility requirements from June 1 to September 30 (for example the parent was not in an authorized activity). Family met eligibility requirements from October 1 to November 30.

For all 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:
    - If the family’s income was at or below the entrance income limit for their family size on October 1, an overpayment should not be assessed for the time period of October 1 to November 30.
    - If the family’s income was above the entrance income limit for their family size on October 1 and continued to be above the entrance income limit, an overpayment should be assessed for the time period of October 1 through November 30.
    - If the family’s income was above the entrance income limit for their family size on October 1, but was below the entrance income limit for their family size at a later time, for example November 1,
AMOUNT OF OVERPAYMENT

14.6

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

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

Disqualify the 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 Intentional Program Violation:

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

When you receive notification of an IPV determination, send the Notice of Program Disqualification (PDF) (DHS-3134) to disqualify the family, and a Child Care Assistance Program 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 Chapter 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 Intentional Program Violation determination (if signed Disqualification Consent Agreement or Administrative Disqualification Hearing Waiver, court/Administration Disqualification Hearing decision) or the effective date of the Child Care Assistance Program termination notice, whichever is later.

An Intentional Program Violation 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 Intentional Program Violation. 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 Chapter 8.12 (Moving Between Counties).

Families disqualified from the Minnesota Family Investment Program (MFIP) due to an Intentional Program Violation 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 Statues 256.9
Disqualify child care providers who have committed an Intentional Program Violation (IPV). An IPV disqualification can be established by any of the following:

- Court conviction.
- **Signed Disqualification Consent Agreement (DCA) (PDF) (DHS-3249A)**
- Pre-trial diversion.
- Administrative Disqualification Hearing (ADH) finding.
- **Signed Waiver of an Administrative Disqualification Hearing (ADH) (PDF) (DHS-3131A).**
- Court-ordered stay which carries with it any other probationary terms or conditions.

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

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

You must inform the child care provider of their responsibilities and rights and of the penalties for intentional program violations. Failure to give a provider this Penalty Warning will lead to the dismissal of any Administrative Disqualification Hearing. The **Child Care Provider Responsibilities and Rights DHS-4079-ENG (PDF)** includes the Penalty Warning required for the Administrative Disqualification Hearing 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 (PDF)**. 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 Administrative Disqualification Hearing process that your county brings against child care providers accused of intentional program violation in your county.

When you receive notification of an Intentional Program Violation determination, send the participant a 15-day notice of provider deactivation and send the provider the **Child Care Assistance Program (CCAP) Notice of Disqualification for Intentional Program Violation DHS-3131A-ENG (PDF)** to disqualify the provider and end child care assistance payments. See Chapter 12 (Notices).

This disqualification is not appealable through an administrative hearing. The disqualification is only appealable through district or appellate court. The effective date of the disqualification period is the date of the Intentional Program Violation determination (a signed Disqualification Consent Agreement or Administrative Disqualification Hearing Waiver or court/Administrative Disqualification Hearing decision) or the effective date of the Child Care Assistance Program 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