Division of Child Care
OPERATION MANUAL
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Child Care Assistance Program
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MS 1001 PURPOSE OF THE CHILD CARE ASSISTANCE PROGRAM (1)

Kentucky's Child Care Assistance Program assists families to access and obtain child care:

1. Low income families with a working adult which include families receiving Kinship Care and students.

2. KTAP recipients who need child care while they participate in Kentucky Works activities (mandatory KWP) which include employment, education, job preparation activities and job search, and other activities designed to assist the family to attain self-sufficiency.

3. Families determined by the Division of Protection and Permanency as needing child care to alleviate safety issues in their home.

4. Teen parents attending high school or GED classes.

   NOTE: Teen parents who are attending high school or pursuing a GED are no longer required to work in the summer to receive child care assistance. They remain eligible during a temporary break in school up to three (3) calendar months or until the end of their eligibility period.

   Teens are not required to be a Full-time student to meet the high school/ GED requirement.

MS 1002 GOALS OF THE CHILD CARE ASSISTANCE PROGRAM (1)

The goals of the program parallel those of the federal laws that provide funding for Kentucky's child care program. The primary funding sources for child care subsidies are the TANF and CCDF block grants. The goals of those block grants include:

1. Promoting parental choice to empower working families to make their own decisions on the child care that best suits the needs of their family.

2. Providing consumer education information to help parents make informed choices about child care.

3. Providing child care to parents trying to achieve independence from public assistance.

4. Implementing health, safety, licensing and registration standards established in state regulations.

5. Assisting needy families so children can be cared for in their own homes.

6. Reducing dependence of needy parents by promoting job preparation, and work.

MS 1003 CUSTOMER SERVICE STANDARDS (1)

Good customer service allows the DCBS/Family Support staff to form a relationship with the applicant/recipient. The DCBS/Family Support staff should always try to put themselves in the applicant/recipient's position. The Cabinet and DCBS/Family Support staff should strive to provide customer service that meets or exceeds the following standards:

1. Treat all applicants/recipients with dignity, courtesy and respect even in difficult situations. Think about how you or a member of your family would want to be treated.

2. Greet all applicants/recipients with a positive and professional attitude. First time applicants may not feel comfortable coming into the office to apply for child care assistance.

3. Maintain a professional work environment.

4. Respond to phone calls by the end of the business day.

5. Remain positive and professional when responding to challenging phone calls or visits.

6. If an applicant/recipient makes the request, provide an appointment convenient to their work schedule and make sure they are aware of the policy relating to the protection of the application date.

7. If an applicant/recipient cannot be seen within forty-five (45) minutes of arrival, give them an approximate wait time.

8. Offer fair and objective services regardless of race, color, national origin, sex, religion, age and disability.

MS 1004 RELATIVE/ACQUAINTANCE CASE PROCESSING (1)

DCBS Worker Family Members/Close Acquaintances as Applicants/Recipients

DCBS/Family Support staff does not take an application and the supervisor does not assign a case to DCBS/Family Support staff, if the applicant/recipient is related to or is a close acquaintance of the DCBS/Family Support staff, including family members related by birth or marriage. The DCBS/Family Support staff is responsible for advising the supervisor if the applicant/recipient is a relative or close acquaintance.

DCBS Employees as Applicants/Recipients

Only Supervisors or designated persons are to accept and process applications filed by an employee of the DCBS/Family Support staff.

Family Members/Close Acquaintances of DCBS Supervisors as Applicants/Recipients

Supervisory staff does not take an application, if the applicant/recipient is related to or is a close acquaintance of the supervisor, including family members related by birth or marriage. The supervisor is responsible for advising management if the applicant/recipient is a relative, or close acquaintance and arrangement will be made for the application to be taken and confidentially maintained.

MS 1005 TIMELINESS STANDARDS (1)

All references to days in manual material and procedural instructions mean calendar days unless explicitly stated otherwise. If a ten (10) day time frame falls on a weekend or holiday, the tenth (10^{th}) day is extended to the next work day. Clients will have until close of business on the day stated on any form or notice requesting information, concerning negative action, or concerning expiration to provide needed information.

MS 1006 CLIENT CASE RECORDS (1)

The case record is the official document of CHFS establishing accountability for the expenditure of state and federal funds.

Each case record contains pertinent facts about each applicant and recipient. Information includes date of application, date and basis of disposition, facts essential to determination of initial and continuing eligibility, need for and provision of assistance, and basis for discontinuing assistance. Discontinued case records are retained for five (5) years to provide accountability for expenditure of funds and for informational purposes unless there is a fraud claim. All case records involving a fraud claim are kept indefinitely.

Active case records are readily accessible to staff at all times and are:

1. Opened one at a time except for comparative study;

2. Purged of obsolete material, such as duplicate copies;

3. Arranged in proper order;

4. Never stored in desks;

MS 1007 CLIENT REVIEW OF CASE RECORDS (1)

The case record may be reviewed upon request by the applicant/recipient of the Child Care Assistance Program (CCAP). The case can also be reviewed by other parties with written authorization from the applicant/recipient.

The applicant/recipient may review any part of the case record except confidential information from someone other than the applicant/recipient, such as child protective services investigation information, and items verified through a system match such as birth verification using Kentucky Vital Events Tracking System (KVETS) or information verified using the Worker Portal.

Inspection of a case record is conducted in the local office and care must be taken by the DCBS/Family Support staff to ensure that no part of the record is lost. If requested, copies of parts of the record pertinent to the issue(s) of the service appeal or complaint are provided to the applicant/recipient or their representative.

All efforts shall be made to give the applicant/recipient access to their case record on the date that access is requested or no later than one (1) business day from the date of the request.

MS 1008 SUBPOENAED INFORMATION (1)

Never provide case record information as testimony in court without a court order or subpoena, except when:

1. Court action involves an appeal of a DCBS/Family Support staff or designee decision to circuit court; or

2. DCBS/Family Support staff or designee is the initiator of court action, including but not limited to fraud or unsuitable home actions initiated by P&P.

If a subpoena requests a court appearance by an employee for an action unrelated to the administration of the DCBS/Family Support staff or designee's programs, the employee must obey the subpoena by appearing in court with the case record as directed.

The following are the types of requests encountered most often by DCBS/Family Support staff or designee and the response required:

1. Regular Subpoena- These are often signed by clerks and are simply requests to appear in court. Failure to appear in court at the designated date and time will cause the agency to be held in contempt. The DCBS/Family Support staff must obey the subpoena and appear in court, with the requested information.

2. Grand Jury Subpoena- Although these are not court orders and a judge is not present at the proceeding, information may be released to the grand jury or prosecuting attorney. Failure to provide information will cause DCBS/Family Support staff or designee to be held in contempt. All information, requested by and provided to the grand jury, is confidential. NO aspect of the case is to be discussed with anyone. Do not release information to attorneys, absent parents, etc., who appear in the local DCBS/Family Support office with a subpoena. This does NOT apply to attorney acting on behalf of DCBS/Family Support staff or designee, such as a county attorney involved in child support activities.

MS 1009 CASE RECORD CONTENT (1)

All case records represent a continuing documentation of eligibility for child care assistance. The case record contains sufficient material to substantiate the validity of all authorized assistance.

All information received by mail or provided in person is to be date stamped or annotated as to the date of receipt.

The following forms are needed in the case:

1. Approval Actions:

   A. DCC-85 Approval for Child Care Assistance (P & P only)

   B. DCC-90 Subsidized Child Care Assistance Application Summary

   B. PA-77 Intent to Apply, if completed

   C. DCC-90P Job Search Documentation, if applicable.

   D. DCC-94.1 Child Care Approval Notice

   E. DCC-111 Parent Notice of Need to Change Child Care Providers, if needed

   F. DCBS-1 Consent and Release of Information and Records

   If information was needed from the client to complete their application, a copy of the DCC-102 We Need Information for CCAP (RFI), documenting the request is filed in the case record.

2. Enrollment of a Child:

   To enroll a child with a provider the DCC-94, Child Care Service Agreement and Certificate must be signed and dated and in the record.

3. Denial Actions:

   DCC-105 Child Care Denial/Discontinuance Notice

All forms shall be used in the manner prescribed by policy and in accordance with the procedural instructions for each particular form. DCBS/Family Support staff is to insure that they are familiar with the policies and procedures for all forms they use and those they are using the most current and up-to-date version of any forms used in determining eligibility, documenting work, and making internal or external requests.

The contents of forms given to an applicant/recipient for providing verification or for signature are not to be altered by the worker prior to giving the form to the applicant;

though small notations may be made to indicate specific information needed, or to generally assist the applicant/recipient or the individual completing the form.

Do not write on, make notations on, or alter any forms of verification once it has been provided by or signed by the applicant/recipient. Any additional information should be detailed in case comments and can be noted on a separate paper and attached to the original form.

The child care case record of a low income working family determined eligible by the DCBS/Family Support staff shall contain the following:

1. Copy of social security cards for all household members; – Optional

2. Birth verification for all children receiving benefits, Kentucky Vital Events Tracking System (KVETS);

3. Proof of identification of person applying for assistance – Driver's License, Student ID, Military ID, State Issued ID, or two other forms to verify;

4. Proof of residence and household composition is verified by completion of the PAFS-76 Information Request or a similar statement (lease or written statement from someone who knows the client – Lease and written statement must include all household members, address, contact information and the date signed.) from a collateral contact familiar with the family's living situation. This form may be completed by someone living inside the home of the applicant as long as that person is not included in the applicant/recipient's household size. This could include a client living with and paying rent to a parent, other relative, or an unrelated adult.

5. Proof of citizenship or legally admitted status, if questionable, for a child;

6. Proof of household income and allowable deductions;

7. Statement (includes Individualized Education Program (IEP) of a health professional regarding need for child care for specials needs children thirteen (13) years or older;

8. Proof of required work hours if practicum, student teaching, internship, etc. is qualifying activity; and

9. Proof of inability to care for child, if second (2^{nd}) adult is not working.

The DCBS/Family Support staff shall maintain the case information for five (5) years after the termination of services.

MS 1010 CASE DOCUMENTATION (1)

Thorough documentation of all case actions is required to be entered in the case history comments. These comments should be a brief narrative which details all the pertinent factors of eligibility and enrollment. The worker is to provide detailed explanations, including the forms of verification used and any other pertinent information, for the following:

1. Date of action/type of case/action taken
2. PA-77 Intent to Apply, if completed
3. Authorized Representative
4. Residency in Kentucky
5. Citizenship of legal alien status for all members
6. Household composition
    A. Are there any ineligible members on the case?
    B. Is the case a one (1) parent or two (2) parent household?
7. Work requirements
8. Income for the household
    A. What type of income does the individual have?
    B. How was the income verified?
    C. How was the income calculated?
    D. Are there any deductions from the income?
9. Enrollment
10. Outcome of the case
    A. Approved
    B. Pended
    C. Denied
    D. Discontinued
    E. If denied or discontinued, why?
11. Any unusual circumstances or case change dates

MS 1015 Purging Records (1)

Purging of Client Records

1. Material not directly related to eligibility or benefit authorization is not retained. To assure records contain only relevant material, case records are purged of all outdated material during the recertification process.

2. When a case is in active status, it is acceptable to purge all case record material that is five (5) years or older, by burning or shredding, EXCEPT for:

   A. Records involving a claim that has not been paid in full within the last five (5) years;

   B. All fraud claims related material, such as signed repayment agreements, court determinations, or hearing decisions;

   C. Case records which substantiate either pending disqualifications or disqualifications which are being or have been served;

   D. Cases involved in an audit, until the audit is completed and a response to the audit has been filed.

3. Cases containing a claim must be clearly marked with a red “X” and “Claim DO NOT PURGE” written on the folder.

4. When the case has been in closed status for at least five (5) years, it is acceptable to destroy all material, EXCEPT for records involving fraud claims, which are retained indefinitely and case records involved in an audit, until the audit is completed.

Agency Error – An error on the part of the cabinet or its designee.

Anticipated Income – Money reasonably expected to be received in the future, e.g. wages, social security benefits, child support, etc.

Applicant – A child's natural or adoptive parent or caretaker/relative who is applying for CCAP.

Authorized Representative - A person designated in a written statement by an individual, to act on behalf of the household in completing application/recertification for CCAP benefits. The designation in writing is waived, if the individual is physically or mentally unable to provide a written statement. The representative is allowed to complete and sign all necessary forms.

Cabinet – The Cabinet for Health and Family Services (CHFS) or its designee as defined by KRS 199.894(1).

Caretaker/Relative - A person acting in place of a parent, including a legal guardian, an individual related by blood, marriage, or adoption of child or a non-relative, if the non-relative pursuing legal custody within one (1) year of application.

CCIE – (Eligibility Type) Low-income working families requesting child care assistance that do not meet any of the other criteria of the eligibility types.

CCPE – (Eligibility Type) Referral from Protection & Permanency (P&P) requesting child care assistance in order to prevent the need for Child Protective Services or to prevent escalation to an open case.

CCPO – (Eligibility Type) Referral from Protection & Permanency (P&P) for cases where abuse, neglect or other items were established, requesting child care.

Certificate – Notice provided by the Cabinet or its designee and used by a family to secure child care from a licensed, certified, or registered provider of choice.

Certified Family Child-Care Home – A private home, certified by the Division of Regulated Child Care (DRCC), which provides full-day or part-day care, day or night, for six (6) or fewer children who are not related to the provider. The children, nieces, nephews, grandchildren, or children in legal custody of the provider may also be cared for, but at no time is the certified provider permitted to have more than ten (10) children in care.

Change in Circumstance – A change that affects eligibility or benefit amounts.

Child – A person under nineteen (19) years of age.

Child Care Assistance Program (CCAP) – Kentucky's child care subsidy program providing families, who meet the eligibility requirements of 922 KAR 2:160, with the financial resources to find and afford quality child care.

Child Care Aware – Helps families learn more about the elements of quality child care and how to locate programs in their communities. It also provides child care providers with access to resources for their child care programs.

Child Care and Development Fund (CCDF) – The child care programs conducted under the provisions of the Child Care and Development Block Grant Act, as amended. The Fund consists of Discretionary Funds authorized under section 658B of the amended ACT, and Mandatory and Matching Funds appropriated under section 418 of the Social Security Act.

Child Care Certificate – Defined in 45 C.F.R. 98.2

Child Care Protective Services – Defined in 922 KAR 1:330, Section 1(3).

Child Care Provider - The individual, business, or business proprietor who is receiving, or has received, payment for child care services under CCAP.

Child Care Aware of Kentucky – A community-based agency that delivers coordinated services to help families' access early care and education and school-age child care options.

Child Prevention – Cases registered for a service that involve a child who has been assessed by Protection and Permanency staff to be at risk of being abused, neglected, dependent or exploited. Family must have a Family in Need of Services Assessment (FINSA) completed by Protection and Permanency.

Child Protection - Cases registered for a service in which the Protection and Permanency case file contains appropriate documentation that substantiates child abuse, neglect, dependency or exploitation. This category may, with appropriate supervisory approval, include child care services to prevent abuse, neglect, dependency or exploitation.

Civil Monetary Penalties (CMP) - Issued by the Division of Regulated Child Care (DRCC) as a result of a child care licensee's failure to meet state regulatory requirements. The penalty is based upon the gravity of the occurrence, the number and type of previous violations, the reasonable diligence exercised by the child-care center and efforts to correct the violation and the amount of assessment necessary to assure immediate and continued compliance.

Claim – An amount owed to the cabinet as a result of an overpayment of CCAP.

Claimant – A current or former CCAP recipient or child care provider subject to a claim.

Compromise a Claim – Accepting less than the full value of a claim.

Conditionally Approved Provider – Must attend six (6) hours of Cabinet approved training, "Orientation for Early Care and Education Professionals" and one and a half (1½) hours of "Pediatric Abusive Head Trauma" training with ninety (90) days of the date your request to apply to be a registered provider was received. If their application is conditionally approved, they may begin receiving payments.

Co-payment – The amount a family receiving child care assistance is required to contribute toward the cost of care, determined on a sliding scale that is based on income and family size.

Director – Individual responsible for the day-to-day operation of a licensed or certified facility for the care of children.

Division of Child Care (DCC) – The entity within the Cabinet for Health and Family Services that administers CCAP.

Division of Regulated Child Care (DRCC) – A Division within the Office of the Inspector General (OIG) responsible for licensure of Type I center-based child care facilities and Type II home based child care facilities and certification of family child-care homes.

Earned Income - Money derived from direct involvement in a work-related activity (e.g., wages, self-employment, etc.).

Employment – A public or self-employment, permanent or temporary work.

Excluded Income - An amount received but not counted in determining eligibility.

Family – An applicant or parent and a child, and another teen, if residing in the same home.

Family Child Care Home – Defined by KRS 199.894(5); is described in KRS 199.8982; and means a home certified in accordance with 922 KAR 2:100.

Family in Need of Service Assessment (FINSA) – A process of collecting information and evaluating risk factors in order to determine strengths and needs of a family. These assessments are completed by Protection and Permanency staff.

Fictive kin – An individual who is not related by birth, adoption, or marriage to a child, but who has an emotionally significant relationship with the child.

Finding of Fraud – A suspected intentional program violation referred in accordance with 922 KAR 2:090 that is accepted for investigation and substantiated by the cabinet's Office of Inspector General (OIG).

Fraudulent Activity – An individual's, including child care providers, deliberate, untimely reporting of changes or misrepresentation of a known technical or financial eligibility requirement that is established by a court of law and results in an overpayment of CCAP funds.

Full-Day – Child Care that is provided for five (5) hours or more per day.

General Education Development Certificate (GED) - A certificate earned by an individual who has passed an examination which indicates that the individual possesses the basic skills equivalent to those of a high school graduate.

Grace Period – is the three (3) calendar month period starting with the first day of the effective month and ending on the last day of the third (3rd) month or the recertification date, whichever is earlier for any interruption in work, training or education.

Health Professional – A person actively licensed as a physician, physician's assistant, advanced registered nurse practitioner, qualified mental health professional as defined by KRS 600.020(48) or registered nurse as defined by KRS 314.011(5).

Hearing Officer – As defined by KRS 13B.010(7).

Homeless - Individuals who lack a fixed, regular, and adequate residence due to economic hardship.

Improper Payment – Is defined by KRS 45.237(1) (d) or 45 C.F.R. 98.100(d).

Inadvertent Error Claim – Is an overpayment resulting from a misunderstanding or unintended error on the part of a recipient or a child care provider.

Income - The money received from statutory benefits, wages, self-employment, rental property, investments, business operations, etc.

Income Eligible - A family at or below income guidelines established for CCAP.
Infant – A child who is less than one (1) year old.

Individualized Education Program (IEP) – A legal document that spells out a child's learning needs, special services provided by the school and how progress will be measured.

Intentional Program Violation - (IPV) – A CCAP recipient or child care provider having intentionally made a false or misleading statement, misrepresented, concealed or withheld facts.

Job Search – A CCAP responsible adult who gains initial CCAP eligibility for up to a three (3) month period from the date of application to actively search for employment that must include contact with potential employers during the initial twelve (12) month eligibility period.

Kentucky Integrated Child Care System (KICCS) – A web based software program, which supports the operation of the Child Care Assistance Program for payments for child care providers, the certification program, and child care licensing administered by the Cabinet for Health and Family Services (CHFS).

Kentucky Transitional Assistance Program (KTAP) – "KTAP" means Kentucky's Temporary Assistance for Needy Families or "TANF" money payment program established in 921 KAR Chapter 2.

Kentucky Works Program (KWP) - An employment and training program which assists KTAP recipients to gain self-support.

Kinship Care Program - A payment program for children placed with an approved relative as an alternative to foster care.

Kentucky Online Gateway System (KOG) – A CHFS system that provides centralized user management and control that includes authentication, authorization, single sign-on, credentialing, self-service and access audit/logging of CHFS applications and users.

Licensed Child Care Facility - A Type I or Type II child care facility, these providers are Child Care centers at or not at the primary residence of the licensee that provider care to seven (7) or more children who can be related to the licensee and regulated by the Cabinet for Health and Family Services, Office of the Inspector General, Division of Regulated Child Care.

Military Status – Military Status is indicated when parent(s) is/are on active duty or in the National Guard or Military Reserves.

Non-Traditional Hours – Child care is routinely provided between the hours of 7:00 PM and 5:00 AM, including the weekend from Friday 7:00 PM through Monday 5:00 AM.

Non-Urban County – Means a county without a first (1st), second (2nd) or third (3rd) class city as specified in KRS 81.010(1) through (3).

Overpayment – A CCAP payment which exceeded the amount a CCAP recipient or a child care provider was eligible to receive.

Parent – A parent by blood, marriage, or adoption and also means a legal guardian, or caretaker/relative.

Part-Day – Child care that is provided for less than five (5) hours per day.

PBF – Provider Billing Form

Preschool Age - A child, who has reached the third (3rd) birthday up to, but not including, the sixth (6th) birthday.

Preventive Services – Is defined by KRS 620.020(9).
Qualified Alien – A child who meets the requirements of 921 KAR 2:006, Section 1(15).

Recipient – A family who has been found eligible for CCAP.

Registered Provider – A child care provider who is a family, friend or neighbor. These individuals cannot care for more than three (3) unrelated children or up to six (6) children if they are a sibling group. The maximum number of children a registered provider may care for during hours of operation is eight (8) children. This includes the provider's own children, other related children and unrelated children. Registered providers must meet minimum health, safety and training requirements of 922 KAR 2:180.

Registration - The process by which unregulated providers become eligible to be paid for providing child care services for a CCAP eligible family by completing the application packet for provider registration and obtaining approval by the Division of Child Care or its designee.

Related – Having one (1) of the following relationships with the provider: child, stepchild, grandchild, great-grandchild, niece, nephew, sibling, child in legal custody of the provider, or child living with a caretaker/relative.

Responsible Adult – Is a person who is in the child's household and who is the natural parent, adoptive parent, or stepparent or the spouse of an individual caring for a child as a caretaker/relative.

Retirement, Survivors, and Disability Insurance (RSDI) – Is the Social Security benefit payable under Title II of the Social Security Act to retirees, survivors or disabled individuals.

School Age Child – Is a child who has reached the sixth (6th) birthday.

Self-Employment - Earnings directly from an individual's trade or business from which no taxes are withheld prior to being paid to the individual.

SMI – State Median Income – The estimated median incomes of households in the state.

Special Needs Child – A child who has multiple and severe functional needs is requiring ongoing specialized care.

Supplemental Security Income (SSI) - The federal program of money payments to aged, blind and disabled persons under Title XVI of the Social Security Act as amended.

TANF – (Eligibility Type) Active KTAP cases must be participating in the Kentucky Works Program (KWP).

Teenage Parent – The head of household is under the age of twenty (20) and attending elementary school, middle school, high school or obtaining a GED.

TENF – (Eligibility Type) Head of household is under the age of twenty (20) and attending elementary school, middle school, high school or obtaining a GED.

Terminate a Claim – Ceasing all collection actions on a claim.

Temporary Assistance for Needy Families (TANF) – This is a federal funding source for financial aid and support services including child care for families attempting to gain self-sufficiency.

Term – Educational session that includes but is not limited to: semester, quarter, intercession, or summer school.

Timely Report - The report of changes within ten (10) calendar days of the day the change becomes known to the individual.

Toddler – A child, who has reached the first (1st) birthday up to, but not including, the third (3rd) birthday.

Type I Child Day Care Facility - A Type I child-care center is a child-care center licensed to regularly provide child care services for four (4) or more children in a nonresidential setting, or thirteen (13) or more children in a designated space separate from the primary residence of a licensee.

Type II Child Care Center – A Type II Child Care center is located in the primary residence of the licensee where care is regularly provided for seven (7), but not more than twelve (12) children, including children related to the licensee.

Underpayment - A payment which was less than the amount a recipient or a child care provider was eligible to receive.

Unearned Income - Money received which does not involve direct physical or mental activity by the individual (e.g., social security, child support).

Unpaid Work – May count towards, in whole or in part, the household's work hour requirement provided that the unpaid work is required educational activity towards a degree or a job training program required by the Unemployment Insurance Benefit Program. Educational activities that are countable unpaid work include student teaching, internship, practicum, or clinical.

Work Requirement - A household containing one (1) parent or responsible adult is required to work a minimum of twenty (20) hours per week, on average. A household containing two (2) parents or responsible adults must work a minimum of forty (40) hours per week, on average, with neither parent or responsible adult working less than an average of five (5) hours per week, unless one (1) parent or responsible adult is verified as mentally or physically unable to provide care for the child(ren). If one (1) parent or responsible adult is verified as mentally or physically unable to provide care for the child(ren), the other parent or responsible adult must work a minimum of twenty (20) hours per week on average. Work may include both paid and countable unpaid work.

MS 1500 GENERAL PROCEDURES FOR APPLICATIONS/REAPPLICATIONS (1)

There are general procedures for low income working families, families with recent job loss, and families who are on time-limited medical leave applying for child care assistance. Procedures for the child care process generated by Department for Community Based Services, DCBS/Family Support staff via the DCC-85 Approval for Child Care Assistance are outlined in Manual Section 2000.

No individual is refused the opportunity to apply. Conditions of eligibility or agency procedures do not preclude the opportunity for an individual to apply and obtain a determination of eligibility or ineligibility. DCBS/Family Support staff must be available to take an application on a walk-in basis on Monday-Friday from 8:00 a.m. to 4:30 p.m. No applicant shall be denied the right to be seen on the date they arrive at the local office. The applicant may be assisted by any individual in the application process, and may be accompanied by this individual in all contacts with the agency.

The individual may preserve the filing date of application by completing a DCC-90.1 Intent to Apply for Child Care Assistance or PA-77 Intent to Apply for child care assistance at the local office or mailing a completed form to the DCBS/Family Support staff. The date of application for a mailed DCC-90.1 or PA-77 is the day it is received by DCBS/Family Support staff. Addition options include online and faxed hardcopy applications.

If the individual is physically unable to come to the office to make application:

1. The household has the option to designate in writing a representative to complete the application process. Permission is given by providing a written statement and signature of the applicant.

2. If the physically impaired individual, including a disabled, blind and hearing impaired individual, has no friend or relative to help with the application process and interview, refer that individual to county and community resources (Community Action, Senior Citizens, Family Resource Center, etc.).

3. Phone interviews may be requested and provided.

4. Make a home visit to complete the application process, if all other options fail.

If the individual is physically or mentally disabled or is elderly, provide consideration to any special needs the individual may have no matter where the interview is conducted. Special needs may include, but are not limited to:

1. Interpreter services for hearing impaired individuals; or

2. Additional space for the interview to accommodate an individual in a wheelchair.

If the individual is non-English speaking, and needs assistance in obtaining interpreter services, the State may provide for these services.

If the individual is seen by the DCBS/Family Support staff but cannot stay to complete the full application, the client shall be offered a hard copy of the Intent to Apply to complete. When all verification has been provided, the case is processed by the twenty-eighth (28th) day.

The date of application is the day:

1. The individual comes in the office and completes and signs the PA-77 Intent to Apply a physically impaired individual who needs special assistance due to the impairment; or

2. A phone interview is conducted by DBCS/Family Support Worker. The information will be entered into the system at that time, either the abbreviated application or the full application

3. Faxed hard copy is received by the DCBS/Family Support Worker.

4. Online application is completed by the citizen in benefind. The system will then generate a notice to the applicant to call DCBS/Family Support staff for an interview within thirty (30) days.

Clients should have ease of access when trying to apply for assistance. Please ensure every effort is made to accommodate the recipients work schedule. Eligibility recertification should not require parents to unduly disrupt their employment.

NOTE: The client must complete an application interview by going into the local office or by a phone interview.

MS 1505 TELEPHONE INTERVIEW PROCESS (1)

A face-to-face interview is required only if requested by a household or when deemed appropriate by the agency. Workers must conduct telephone interviews upon request by the client. Waiver of the face-to-face interview does not exempt the household from providing a signed application or providing necessary verification. Waiver of the face-to-face interview does not affect the length of the household's certification period. Use the following procedures for conducting phone interviews:

1. Ask all questions and enter the client's responses concurrently on the appropriate application form.

2. Mail all necessary forms, including the application form for the client's signature no later than close of business the day after the phone interview is completed.

3. The case is pended for return of mandatory information and the signed application, if necessary.

Do not approve the case without a signed application. An application is considered to have been made when the application is submitted by phone or the appropriate application form is signed and received in the DCBS office.

Clients should have ease of access when trying to apply for assistance. Please ensure every effort is made to accommodate recipient work schedules. Eligibility recertification should not require parents to unduly disrupt their employment in order to comply with requirements for recertification of eligibility for assistance.

MS 1510 CONTENT OF THE INTERVIEW (1)

During the application interview, the DCBS staff will ask the individual each question from the application and discuss any responses, which need clarification or are inconsistent. At a minimum, the following items are covered:

1. View and copy documentation of birthdates for children for who benefits are requested. Birthdates of children born in Kentucky can be verified by the Birth Index File, Kentucky Vital Events Tracking System (KVETS) search;

2. View and copy proof of identity of the applicant. Identity can be verified by one form of identification such as a Driver's License (It does not matter if the license has expired), Student I.D., or Military I.D., or two (2) other forms of verification;

3. Request, but not require, social security numbers for all members;

4. If the citizenship of a child cannot be established by birth verification, obtain proof of citizenship or legal status;

5. Verification of relationship – Statement from the Mom is acceptable; Dad can self-disclose as the father.

6. Establish and verify residence and household composition by completion of the PAFS-76 Information Request, or a similar statement (lease or written statement from someone who knows the client – Lease and written statement must include all household members, address, contact information and date signed.) from a collateral contact familiar with the family's living situation, who is not a member of the child care case;

7. If a child is age thirteen (13) or older and care is requested, proof is needed of the child's inability to care for themselves (court order, physician's statement, Individual Education Program (IEP) or a statement from a health professional as defined by KRS 600.020(48);

8. Collect current documentation of immunization for children requesting care, if needed;

9. All sources and amounts of income are declared and verified;

10. All allowed deductions from income are verified;

11. Remind the applicant/recipient that all changes in circumstance must be reported within ten (10) calendar days of the date of change, as well as any changes which occur prior to processing the application;

12. Explain policy relating to overpayments.

    A. Determine if there is an outstanding claim.

    B. Discuss with the applicant/recipient repayment of any claim.

If the applicant needs assistance locating or choosing a child care provider, provide resource or referral information per local protocol. Provide the client with a DCC-112 Looking for Quality Child Care form. The applicant is responsible for providing all verification needed to complete the application. If items are not available at the interview, the worker requests them in writing using the DCC-102 We Need Information for CCAP (RFI).

NOTE: Parents that choose a Registered Provider should be given a business card with the Division of Child Care contact information. The DCC staff can mail a Registered Provider packet to the applicant to complete and return for approval.

MS 1515 CASE ACTION ON APPLICATIONS (1)

Approval of Applications

Approve the application if all technical and financial eligibility factors are met and eligibility is unquestioned.

New approvals are guaranteed twelve (12) months of eligibility.

Reinstatement for applications denied in error

1. Reinstatement is to allow the DCBS staff the ability to restore eligibility when the case was erroneously inactivated within the last thirty (30) days.

2. Conditions that must be met to reinstate:

    A. Must be an existing case;

    B. Case status must be inactive benefit;

    C. Case inactivation date must be less than thirty (30) days prior to the current date;

    D. Recertification date is in the future.

3. Instances of when it may be appropriate to use reinstatement include:

    A. Request for information is sent but the requested information is not received so the case discontinued. It is then discovered the requested information was turned in, but misplaced. The case is reinstated and updated with the information received.

    B. Case denied due to unforeseen circumstances.

Denial of Applications

Deny the application if all technical and financial eligibility factors are not met; or deny the application on the thirtieth (30^{th}) day if eligibility cannot be established due to the applicant's failure to present necessary information as requested by the DCC-102 We Need Information for CCAP (RFI).

MS 1520 STANDARD OF PROMPTNESS FOR APPLICATIONS (1)

When verification is received on an application, the case is processed no later than thirty (30) days from the date of the application. The first day of the thirty (30) day period begins the day of application. If this day is on a weekend or holiday, the thirtieth (30^{th}) day is the next work day.

If the application is processed within the standard of promptness and the individual is ineligible as of the day of processing a DCC-105 Child Care Denial/Discontinuance Notice is issued.

MS 1525 Homeless Application Process (1)

Homeless households are eligible for expedited services. They are entitled to immediate approval and enrollment starts when ID is provided. Homeless households have up to three (3) calendar months from the date of application to return all verification. The system will trigger the DCC-102 We Need Information for CCAP (RFI), with up to three (3) calendar months to return the verification.

Households that return all required information at the end of the three (3) calendar month period and become technically and financially eligible, will not see a change in the certification period. The maximum allowable certification period is assigned based on program rules. NOTE: If a current out of state ID is used as ID, if may only be used at application; at recertification, a Kentucky ID will be required. Client may also use a driver's license (It does not matter if the license is expired), student ID, military ID, an insurance card, utility bill, etc. to verify ID. Homeless households must meet all technical and financial eligibility criteria in order to continue with the program.

Clients can return all requested information anytime up to the three (3) calendar month timeframe of the expedited care period. (This includes verification of child support information.) If all information is returned but the case is not technically and financially eligible, the case will discontinue on the last day of the next administratively feasible month. The three (3) calendar month care period is not guaranteed.

There is no limit to the number of times a household may be certified under the expedited procedures as long as prior to each expedited certification the household either completes the verification requirements that were postponed at the last expedited certification or was certified under normal processing standards since the last expedited ceritification.

NOTE: Homeless households can qualify to gain initial eligibility via Job Search if the client does not meet the work requirement and wants to use the once in twelve (12) months Job Search at the time of application. The client must work register and complete the DCC-90P CCAP Job Search Documentation form with a minimum of ten (10) contacts to constitute a complete form.

MS 1530 ELIGIBILITY PERIODS (1)

DCBS/Family Support staff has thirty (30) calendar days from the date the application to determine eligibility for working families and teen parents. If the application is approved for benefits, the determination is valid for twelve (12) months.

The recipient gets twelve (12) months up front; the case can discontinue if there is a reported change that would put the case in the grace period which is the next three (3) months following the reported case change up to the last day of certification period, whichever comes first.

A twelve (12) year old child turning thirteen (13) and an eighteen (18) year old special needs child turning nineteen (19) will continue to receive child care assistance during the approved twelve (12) month eligibility period.

> EXAMPLE: If a parent or responsible adult apply for child care services on 6-17-2016, and the application is approved on 6-30-2016 for child care benefits, the eligibility period is 6-17-2016 through 5-31-2017.

When a teen parent turns nineteen (19), the system will re-evaluate their case to see if they are eligible for other eligibility types such as CCPO, CCPE, TANF and then CCIE. If they are not eligible in another category, the case will discontinue the last day for the first administratively feasible month.

Homeless households are eligible for expedited services. They are entitled to immediate approval and enrollment starts when ID is provided. (If a driver's license is provided, it does not matter if it is expired.) Homeless households have up to three (3) calendar months from the date of application to return all verification. If all verification is not returned, eligibility can be discontinued. If all information is returned but the case is not technically and financially eligible, the case will discontinue on the last day of the next administratively feasible month.

Homeless households can qualify to gain initial eligibility via Job Search if the client does not meet the work requirement and wants to use the once in twelve (12) months Job Search at the time of application. They must work register and have a minimum of ten (10) contacts to constitute a completed DCC-90P CCAP Job Search Documentation form to gain eligibility.

MS 1535 ELIGIBILITY TYPES (1)

Eligibility for child care services for the following family types:

1. CCPE: Referral from Protection & Permanency (P&P) requesting child care assistance in order to prevent the need for Child Protective Services or to prevent escalation to an open case.

2. CCPO: Referral from Protection & Permanency (P&P) for cases where abuse, neglect, or other items were established, requesting child care.

3. TANF: Active KTAP cases must be participating in the Kentucky Works Program (KWP).

4. TENF: The head of household is under the age of twenty (20) and attending elementary school, middle school, high school or obtaining a GED.

5. CCIE: Low income working families requesting child care assistance that did not meet any of the criteria above.

MS 2000 PROTECTION AND PERMANENCY (P&P) APPROVALS (1)

P & P staff may approve child care using the DCC-85 Approval for Child Care Assistance when families need the service as:

1. A preventive service to meet the child care needs of a family with a case opened due to a Family in Need of Services Assessment (FINSA) in order to stabilize the situation and prevent escalation to an environment at increased risk of abuse or neglect.

2. A protective service provided when abuse, neglect, or dependency is substantiated and the family has need for child care services, as indicated in the case plan and/or after care plan.

    A. CCPE (Preventive) or CCPO (Protection) for Preventive or Protection approvals.

DCBS/P & P staff is required to discuss with a relative or fictive kin upfront the ability to become a foster/adoptive parent.

Foster care children are not eligible for CCAP subsidies.

DCBS/P & P staff is responsible for:

1. Determining initial eligibility for child care P & P clients, completing and routing a DCC-85 within ten (10) days of the time the need is identified to the *CHFS DCBS DCC-85 Box*. If not received within three (3) calendar months of care start date, no payment will be made.

2. Providing the client with page three (3) of the DCC-85 confirming eligibility for child care services.

3. Providing the client with a DCC-112 Looking for Quality Child Care form.

Family co-payments may be waived for protective cases only. If the co-payment is waived this must be indicated on the DCC-85 with the reason for waiver indicated in the justification section. If co-payments by the family are court ordered the amount of the co-payment assessed to the parent must adhere to the order. The amount of the court ordered co-payment is indicated on the DCC-85.

The DCC-85 will serve as verification of social security numbers, birthdates, citizenship, and parent income. The worker shall not require that this information be re-verified for a case approved by the DCC-85 process.
Special attention and care is to be afforded to instructions provided by the P & P worker regarding the required type of provider, days of the week care is to be accessed, and any comments recorded on the DCC-85. This is necessary to ensure the safety and proper care of children approved for child care subsidies by DCBS staff working in P & P programs.

The eligibility period for P & P referrals is for twelve (12) months and ends on the last date of the twelfth (12th) month. The twelve (12) month period begins on the date of application.

A twelve (12) year old child turning thirteen (13) and an eighteen (18) year old special needs child turning nineteen (19) will continue to receive child care assistance during the approved twelve (12) month eligibility period.

MS 2005 ENROLLMENT FEES (1)

Enrollment fees can be paid for Kentucky Works Program (KWP) recipients approved by Family Support in addition to Protection cases. Enrollment fees are paid only for these two (2) groups of recipients. The fee payment must be requested in writing by the provider.

DCBS, Division of Child Care (DCC), will be responsible for all provider issues and requests, including provider payments and enrollment fees. Child Care Providers will mailed the DCC-94 Child Care Service Agreement and Certificate, DCC-94B Licensed or Certified Provider Agreement Form and a request with a list the children enrollment fees are being paid on.

The Child Care staff collects fee information from licensed centers on the DCC-94B Licensed and Certified Provider Agreement Form. The amount of the fee must be indicated on the DCC-94B in order for a fee payment to be authorized to the provider. An enrollment fee cannot be more than one hundred dollars ($100) per family.

Enrollment fees are paid to Licensed Type I and Type II centers and Certified Family Child Care centers, if this is their policy to charge the fee to the general public. If non CCAP families are not charged a fee, then fees are not paid for CCAP families.

Enrollment fees are not paid to registered child care providers.

MS 2500 APPLICATION PROCESS (1)

Applications are accepted and processed by the DCBS staff for the low-income working families and teen parents.

Family Support Case Managers are responsible to provider Child Care Assistance for KTAP/KWP participants. It is a supportive service authorized by the case manager. There is not a separate application for KTAP/KWP participants.

Any person has the right to apply for Child Care Assistance on the day they make contact with the DCBS staff.

For detailed information on the application process, see Manual Sections 1500, 1505, 1525 and 2000.

MS 2505 CHILD CARE INCOME LIMITS (1)

The family applying for low income subsidized child care services and teen parents must have monthly gross countable income which is less than or equal to the Child Care Income Limits (first table below). Families who have been approved for child care services remain income eligible as long as their countable monthly gross income is at or below 85% of the state median income after a reported change during the application period and the recertification period.

Child Care Income Limits *(at initial application)*	
HH2	*$2,165*
HH3	*$2,723*
HH4	*$3,280*
HH5	*$3,837*
HH6	*$4,395*
HH7	*$4,952*
HH8	*$5,509*
HH9	*$6,067*
HH10	*$6,624*
HH11	*$7,181*
HH12	*$7,739*
HH13	*$8,296*
HH14	*$8,853*
HH15	*$9,411*

85% of SMI (at case change) Effective 7/1/17	
HH2	*$4,294*
HH3	*$4,808*
HH4	*$6,072*
HH5	*$6,772*
HH6	*$7,472*
HH7	*$8,172*
HH8	*$8,872*
HH9	*$9,572*
HH10	*$10,272*
HH11	*$10,972*
HH12	*$11,672*
HH13	*$12,372*
HH14	*$13,072*
HH15	*$13,772*

http://www.justice.gov/ust/eo/bapcpa/20141101/bcidata/medianincometable.htm

At recertification families who have been approved for child care services remain income eligible as long as their monthly countable gross income is less than or equal to the Child Care Income Limits (table below). *NOTE:* The 10-10-10 Policy is used if the gross income is more than the Child Care Income Limits.

Child Care Income Limits (at recertification)	
HH2	*$2,233*
HH3	*$2,808*
HH4	*$3,383*
HH5	*$3,957*
HH6	*$4,532*
HH7	*$5,107*
HH8	*$5,682*
HH9	*$6,256*
HH10	*$6,831*
HH11	*$7,406*
HH12	*$7,981*
HH13	*$8,555*
HH14	*$9,130*
HH15	*$9,705*

MS 2510 TEEN PARENTS (1)

A teen parent is defined as any parent under the age of twenty (20) who needs child care assistance in order to attend elementary school, middle school, high school or pursue a GED in a classroom setting. Teens can take classes in vocational or technical school but it must be through the high school. There are no hour requirements in school or GED, the recipient can be full time, part time or less than half time.

For teen parent child care assistance applicants, the teen and his/her child(ren) are considered a nuclear family, even if they are residing with other family members. Any income that the teen parent has is used in determining eligibility and in assessing daily family co-pays. (Countable income of the child includes RSDI and child support.) No other adult member of the household is counted in terms of family size or income, unless the teenager is married and living with his or her spouse or living with the parent of the child(ren). Teen parents that reside with a parent and receive KTAP are subject to KTAP household composition and income requirements.

1. EXAMPLE: Tamara, a sixteen (16) year old with a three (3) month old son, lives with her parents. She goes to high school and needs child care. Tamara receives child support of twenty-five dollars ($25) per week from the child's father. Child support income is the only income considered in the child care case. The family size is two (2).

2. EXAMPLE: Heather, a seventeen (17) year old, lives with her eighteen (18) year old boyfriend, Phillip, and their one (1) year old daughter. They live in the basement of Heather's parents' home. Philip works twenty (20) hours per week and Heather goes to GED classes. Philip's wages are the only income considered in the child care case. The family size is three (3).

Teen parents not receiving CCAP services through the eligibility types – CCPO, CCPE or TANF must meet income eligibility guidelines in order to receive child care assistance. A teen parent who is working, but not attending school or pursuing a GED, must meet the same work hour requirement and income guidelines as low income working families (CCIE – eligibility type). A teen parent who works, in addition to attending high school or pursuing a GED, meets the work requirement with continuing their education. A work requirement twenty (20) hours per week is NOT required and income IS countable.

Teen parents who are attending high school or pursuing a GED remain eligible during a temporary break in school up to three (3) calendar months or until the end of their eligibility period.

MS 2515 EDUCATION ACTIVITIES (1)

Low income working families may receive child care services while they attend education activities. These families must also meet work requirements. Proof of enrollment from the school or institution is required prior to authorizing child care to cover time spent in educational activities. Acceptable verification of enrollment includes an official class schedule or a written statement from a school official.

Child care can be authorized while the adult(s) in the family attend:

1. High School;

2. GED classes including online classes provided outside the home;

3. Licensed or accredited vocational or technical school;

4. Accredited college or universities including online classes.

Enrollment can be full time, part time or less than part time. There are no limits on the length of time a working adult can attend school and receive child care services.

MS 2520 JOINT CUSTODY (1)

When parents share custody of a child and both parents need child care assistance, each parent applies for the period of time the child resides in his/her home and pays the corresponding co-payments, if applicable. There are two (2) separate applications even if the child is with the same child care provider.

Joint custody can be verified by a court order, verification from P & P, client statement or a written statement.

> EXAMPLE: Mother and dad share custody of their child. The child resides with the mother Monday through Thursday and with dad Friday through Sunday. Both parents can apply for child care assistance during the time the child is residing in their home. (There would be two (2) separate cases.)

MS 3000 AGE OF THE CHILD (1)

A child meets the age requirement if he/she is:

1. Birth through twelve (12) years old; or

2. Age thirteen (13) but under age nineteen (19), and be considered special needs.

NOTE: A twelve (12) year old child turning thirteen (13) and an eighteen (18) year old special needs child turning nineteen (19) may continue to receive child care assistance until the end of the twelve (12) month eligibility period if technical and financial eligibility is met.

Age is verified by:

1. State authorized/numbered birth certificate (including delayed registration at least one (1) year old);

2. Verification of birth registrations through IMS Program, Birth Certificate Inquiry (Birth Index File – KVETS – Kentucky Vital Events Tracking System);

3. Hospital record (containing the child's name, date of birth, parent's names, hospital name and address and official signature of hospital personnel);

4. Baptismal record;

5. Statement from attending physician/midwife;

6. Adoption record; or

7. INS records (e.g. - passport, immigration papers which includes child's name and birthdate).

8. Client statement.

If care is requested for a child who is thirteen (13) but under age nineteen (19), written verification must be obtained verifying the need for care. Verification may be provided by:

1. A qualified health professional approved by the Cabinet such as a school or comprehensive care center.

2. A court order or similar documentation indicating the child is under court supervision.

3. An Individual Education Program (IEP) provided by the school, or

4. SSI

If a child was born out of state and birth verification is not available at the time of approval, client statement is acceptable unless questionable. See – http://vitalchek.com to obtain birth verification for the child

MS 3005 SPECIAL NEEDS REQUIREMENTS (1)

In order for a child to be considered special needs, written verification of the special need must be obtained. Verification should state the nature of the special needs; and if for a child age thirteen (13) under age nineteen (19) state that the child is unable to care for themselves. Verification may be provided by:

1. A qualified health professional, a physician, physician's assistant, advanced registered nurse practitioner, qualified mental health professional as defined by KRS 600.020(48) or registered nurse as defined by KRS 314.011(5).

2. A court order or similar documentation indicating the child is under court supervision.

3. An Individual Education Program (IEP) provided by the school.

4. SSI

A twelve (12) year old child turning thirteen (13) and an eighteen (18) year old special needs child turning nineteen (19) will continue to receive child care assistance during the approved twelve (12) month eligibility period. If the application is approved for benefits, the determination is valid for twelve (12) months. The twelve (12) month period begins on the date of application and is valid until twelve (12) months later.

MS 3010 RESIDENCY REQUIREMENTS (1)

An applicant requesting child care services must be a verified resident of Kentucky.

There is no requirement placed upon the duration of residency. Residence is verified by documentation which reasonably establishes that the applicant resides in Kentucky and can be verified in conjunction with other information such as, but not limited to, household composition, school attendance, income, identity, etc.

MS 3015 HOUSEHOLD COMPOSITION (1)

The names and relationships to the applicant of all individuals who reside at the same physical address as the applicant are to be verified at each application, recertification, and at any occurrence of a change in the household's composition. A person acting as a caretaker/non-relative must pursue legal guardianship of the child within one (1) year of application

Household composition is verified by a PAFS-76 Information Request, a current lease which lists all residents at the applicants address if the lease is current and no older than one (1) year old, or a written statement or collateral contact from an individual who has knowledge of the client's living situation. A lease or written statement must include all household members, address, contact information and the date signed.

The verification of household composition may be completed by or obtained from a collateral contact familiar with the family's living situation. This form may be completed by someone living inside the home of the applicant as long as that person is not included in the applicant's household size. This could include an applicant living with and paying rent to a parent, other relative, or an unrelated adult.

The DCBS/Family Support staff is to document in case comments any unusual circumstance related to household composition including, but not limited to, the reason for accepting verification from an individual residing with the applicant, the name and telephone number for any collateral contacts made, and any other information that has a bearing on the determination of eligibility for the case.

MS 3020 HOMELESS HOUSEHOLDS (1)

Homeless households during an initial application are unique from other eligibility types as the household is entitled to up to three (3) calendar months from the date of application to return verification. This allows the household to return all required documentation gradually, if needed. Homeless cases are approved and enrollment starts when the HOH provides ID. (If a driver's license is provided, it does not matter if it is expired.) See Manual Section 1525 Homeless Application Process for details.

Households that return all required information and are technically and financially eligible at the end of the three (3) calendar month period will not see a change in the certification period at approval of application. Homeless households must meet all other technical and financial eligibility criteria in order to continue with the program.

Clients can return all requested information anytime during the three (3) calendar month (Request for Information - RFI) period. If information is returned but the case is not technically or financially eligible, the case will discontinue. If requested information has not been provided, the application will be discontinued.

NOTE: Homeless households cannot be expedited again, until they have returned all required verifications.

NOTE: Co-payments can increase if verified information determines a higher family co-payment.

MS 3025 TEMPORARY ABSENCE (1)

A responsible adult, either applicant or applicant's spouse is considered to be in the household if they are temporarily out of the home. A temporary absence can include being absent due to being in the military, hospital, or employment as long as there is intent to return to the household and there is a continuing ongoing relationship. The income of this person is considered when computing household income and the person is included in this family size.

If working or in the military, the other responsible adult is still required to meet the forty (40) hour work requirements for a two (2) parent household.

NOTE: An individual who is incarcerated is not included in the household.

MS 3030 CITIZENSHIP/ALIEN STATUS REQUIREMENTS (1)

A child must be a U.S. citizen or qualified alien to be eligible for child care benefits. This includes children born in the United States to non-citizen parents. Alien status is verified by Immigration Naturalization Services (INS) documents.

Adults in the home are not required to meet citizenship requirements.

Use the following chart as a guide to the INS documentation. This is not an all-inclusive chart. A child may have a different INS document that identifies the alien status and date of entry. Accept any INS documentation provided by the applicant that verifies the child's status and date of entry unless it is questionable. Have the applicant resolve any questionable status through INS.

Status of Alien	INS Document
Permanent resident alien before August 22, 1996	I-151 or I-551
Permanent resident alien on or after August 22, 1996 If veteran of US Military If active duty US Military	I-551 DD-214 Discharge Certificate Any document showing active status
Refugee	I-94 marked with "admitted under INA 207", "Refugee", or "Refugee - Conditional Entrant"
Asylee	I-94 marked with "admitted under INA 208" or INS letter
Deportation Withheld	I-94 marked with "admitted under INA 243(h)" or letter from immigration Judge
Amerasians	I-94 or I-551 marked with an identifier in comments - AM1, AM2, AM3, AM6, AM7 or AM8
Parolees	I-94 marked with "admitted under INA 212(d)(5)" The date will read "Indefinite"
Conditional Entrants	I-94 marked with "admitted under INA 203(a)(7)"
Cuban/Haitians	I-94 may be marked "admitted under INA 207", "Refugee" or "Refugee - Conditional Entrant"
Battered Aliens	I-94 admitted under INA 204(a)(1)(A) or (B), or whose deportation is suspended under INA 244(a)(3)
Victims of Human Trafficking and Eligible Relatives	I-94 or VISA with “T-1” category. Eligible relatives of the victims have T-2, T-3, T-4 or T-5 category designations.
Afghan/Iraqi Special Immigration	Passport with an immigrant visa (IV) stamp noting the individual has been admitted under IV category SI1; Department of Homeland Security (DHS) stamp or notation on passport for form I-94 showing date of entry, or form I-551 (green card) S16.
Spouse of Afghan/Iraqi Special Immigrant	Pass with an immigrant visa (IV) stamp noting the individual has been admitted under IV category S12; DHS stamp or notation on passport or form

	I-94 showing date of entry, or form I-551 (green card) S17.
Unmarried dependent child of Afghan/Iraqi Special Immigrant	Passport with an immigrant visa (IV stamp noting the individual has been admitted under IV category S13; DHS stamp or notation on passport or form I-94 showing date of entry, or form I-551 (green card) S17.
Iraqi Special Immigrant under Section 1244	Passport with an immigrant visa (IV) stamp noting the individual has been admitted under IV category SQ1; DHS stamp or notation on passport or form I-94 showing date of entry, or form I551 (green card) SQ6.
Spouse of Iraqi Special Immigrant under Section 1244	Passport with an immigrant visa (IV) stamp noting the individual has been admitted under IV category SQ2; DHS stamp or notation on passport or form I-94 showing date of entry, or form I-551 (green card) SQ7.
Unmarried dependent child of Iraqi Special Immigrant under Section 1244	Passport with an immigrant visa (IV) stamp noting the individual has been admitted under IV category SQ3; DHS stamp or notation on passport or form 1-94 showing date of entry, or form I-551 (green card) SQ9.
Native Americans born in Canada	Form-181m Memorandum of Creation of Record of Admission for Lawful Permanent Residence, form I-551 with the code S13, an unexpired I-551 stamp in a Canadian passport, form I-94 with the code S13 or a letter or other tribal document certifying at least 50% American Indian blood combined with a birth certificate or other satisfactory evidence of birth in Canada.
Form I-185	Canadian border crossing card.
Form I-186	Mexican border crossing card.
Form SW-434	Mexican border visitor's permit.

MS 3035 ELIGIBLE LIVING SITUATIONS (1)

The person eligible to apply for benefits on behalf of the child is considered the head of household. If there are two (2) adults present in the home, the second responsible adult must be included in the determination of household size and income if they are:

1. A natural or adoptive parent

2. A step parent

3. The spouse of the head of household

4. The spouse of an unrelated adult/relative (A person acting in place of a parent, Including a legal guardian, an individual related by blood, marriage, or adoption child or a non-relative, if the non-relative pursing legal custody within one (1) year of application).

If there is a common child of the two (2) adults in the home, the case is considered as one (1) household with all household members included.

Examples:

1. Household consists of mother and father who have a child in common. Mother also has a child from a previous relationship and a father has two (2) children from previous relationship that all live in the same household. Household size is six (6) and all household members are considered.

2. Child lives with her aunt, the aunt's husband (uncle by marriage to child), and two (2) cousins, ages six (6) and eight (8). This is a five (5) person family consisting of two (2) adults and three (3) children.

3. Child lives with an unrelated adult to her pursuing custody, that person's spouse, and their two (2) children. This is a five (5) person family consisting of two (2) adults and three (3) children.

MS 3040 WORK REQUIREMENTS FOR LOW INCOME WORKING FAMILIES (1)

Eligible Work Activities-

To receive a subsidy payment for child care, a family must contain:

1. A gainfully employed adult or adults.

Employment means public or private, permanent or temporary work that is performed for a wage, is self-employment, or is unpaid such as student teaching, an internship, or practicum that is an educational requirement for the degree the adult it pursuing. In order for an activity to be counted towards required works hours, it must fall into one of these categories.

Single Parent Households-Any household which contains only one (1) parent will be required to meet the following guidelines. This includes households where one parent is temporarily absent from the household, see MS 3025.

The requirement for a single parent family is that they work an average of twenty (20) hours per week. A combination of employment activities can be used to meet the required number of hours.

Example 1: Christy is a single mother of two (2) children and she is working at a fast food restaurant twenty-five (25) hours per week. Christy meets the work requirement of twenty (20) hours per week.

Example 2: Sally works at McDonald's and her weekly hours fluctuate. In a four (4) week month, she worked fifteen (15) hours, thirty (30) hours, twenty (20) hours, and sixteen (16) hours. She averages twenty (20) hours a week over a month's time and meets the work requirement.

Two Parent Households-The requirement for two (2) parent families is a combined average of forty (40) hours per week with neither parent working less than an average of five (5) hours a week unless one (1) adult is verified as mentally or physically unable to provide care for the children. In instances where there is an incapacitated parent in the home the work requirement for the non-incapacitated parent is an average of twenty (20) hours per week. The incapacitated parent must provide a doctor's statement verifying that he/she is unable to care for the child.

Example 1: Sue and Ted are married and both work. Sue averages fifteen (15) hours per week in an unpaid practicum; Ted averages twenty-five (25) hours per week at a paying job. The family meets the work requirement.

Example 2: Sue and Ted are married. Sue works twenty-two (22) hours per week. Ted is off work due to a back injury. He has provided a doctor's statement that he is unable to care for the child in the home. This family meets the work requirement.

2. An adult who has a verified medical leave and is unable to care for children, (This is specific to a two (2) parent household or a single parent household who gets sick during the certification period), or

CCAP applicants (two (2) parent households) or active CCAP participants (one (1) and two (2) parent households) who claim a temporary work exemption are required to provide a doctor's statement to document that the parent seeking the work exemption is unable to care for the child(ren) and include the expected date of recovery. If the participant does not provide DCBS/Family Support worker a doctor's statement to extend the expected date of recovery or provider evidence that he/she is working enough hours to meet the work requirement, the CCAP case will discontinue the last day of the first administratively feasible month.

The DCC-116 Notice for Expiration of Work Exemption will be issued to the client 10 days from the last day of the month of the expected date of recover. In addition, the DCC-94C Provider Notification Letter is sent to a provider ten (10) days in advance of a discontinuance of a case when the children's enrollment is ending. If a statement is not received with a new expected date of recover or verification of work hours, the case will discontinue.

3. An adult or adults who are seeking employment or engaging in CCAP job search requirements at initial application.

NOTE: Homeless households are eligible for job search.

Households (one (1) and two (2) parent) may gain initial CCAP eligibility to Job Search for up to three (3) calendar months from the date of application in a twelve (12) month period, without meeting the CCAP work requirement. A two (2)-parent household may qualify if both parents agree to work register with the Office of Employment and Training (OET) (*NOTE: unless the job seeker(s) have work registered within the prior twelve (12) months*) and conduct verified job search. If one (1) parent of a two (2)-parent household is verified disabled and unable to care for the child(ren), the parent seeking employment may qualify to receive CCAP for the child(ren) for up to three (3) calendar months under this policy.

<u>Work Registration Process</u>:

- If client does not meet work hour requirement, the case pends for work registration;
- If FOCUS does not identify work registration with the past twelve (12) months, the client need to OET to fill out FOCUS resume;
- Once work registration is complete the OET interface will populate the verification source and date. If a hardcopy record of the FOCUS registration is provided, a written statement can be entered as the verification source and the date received entered on the Work Registration screen.
- The application is approved and the DCC-90P is issued.

A two (2)-parent household could qualify if the unemployed parent agrees to work register, conduct a job search completing a DCC-90P with a minimum of 10 contacts, and the other parent is working a minimum of an average of twenty (20) hours per week. For these household to continue receiving assistance beyond the initial three (3) months, both parents would be required to meet the forty (40) hour work requirement pursuant to current CCAP policy prior to the end of the 'up to" three (3) month job search period (neither parent can work less than an average of 5 hours per week, unless one (1) parent is disabled and cannot care for the child(ren).

An unemployed adult, after work registration, must participate in an initial job search activity for up to three (3) calendar months in order to receive child care assistance. The DCC-90P CCAP Job Search Documentation form is used by the client to capture information, which includes the date and time of each contact, type of contact, employer name and contact information, and the desired position. A client must have a minimum of ten (10) contacts to constitute a complete form.

4. Unpaid work such as a practicum, clinical, internship, student teaching, and job training related to Unemployment Insurance Benefits (UIB) can be used to meet part or all of the work requirement and must be entered on Benefind in order for technical requirements to be met. The DCC-102 We Need Information for CCAP (RFI) will be issued upon application with a DCC-90L Student Enrollment and Unpaid Work Verification to be completed and returned within 30 days The unpaid work must be a requirement to obtain their degree or receive unemployment benefits.

Example: Joe works fifteen (15) hours per week for a car dealership and has an unpaid internship working ten (10) hours per week. Joe's combined work hours of twenty-five (25) hours per week meets the work requirement.

Verifying Work Hours-

In all circumstances it is the responsibility of the applicant to provide third party verification of the number of hours worked, and/or requirement and attendance to an unpaid work setting, including recent loss of employment and job to return to if the applicant is on medical leave.

Determining Work Hours (Employment)-

Calculate the individual's work hours by totaling the hours for all representative periods and dividing by the number of pay periods considered. Divide that number (the average number of hours per pay period) by the corresponding Multiplier on the table below to determine the average hours per week. Once the average number of hours per week has been determined, compare the average to the Required Work Hours below. (Round up hours worked after calculation.)

Pay Frequency	Required Work Hours	Multiplier
Weekly	20	4 1/3
Bi-Weekly	40	2 1/6
Semi-Monthly	43.34	2
Monthly	87	n/a

To exclude any pay period from the determination of hours or income the period must clearly be unrepresentative of ongoing work hours and income and the reason for the exclusion must be thoroughly documented in case comments.

Example 1: Jane has provided her preceding calendar month check stubs. She is paid bi-weekly and averages twenty (20) hours per week. However, on one (1) check in the preceding calendar month, she was out for a week due to a sick child. If the check is included in the calculation of work hours the client will be ineligible due to not meeting the twenty (20) hour work requirement. Because the missed period of work is not a normal occurrence it should be excluded from the

calculation of both work hours and income as non-representative of her ongoing situation.

Example 2: Jerry has provided his preceding calendar month check stubs. He is paid bi-weekly and typically works eighteen (18) hours per week. However, in one (1) period of the prior month he worked two (2) extra shifts for a co-worker out with a sick child. If the check with the extra hours is included the client is be eligible as his average would be greater than twenty (20) hours per week. The check with the added hours would not be included as it is not representative of the individual's ongoing situation.

Example 3: Julie works on an as needed basis and has provided a PAFS-700 Verification of Employment and Wages which verifies her preceding calendar month income. Her work hours fluctuate from fifteen (15) hours to thirty-five (35) hours on a regular basis. All periods would be considered in the calculation of work hours and income because the fluctuations are a normal part of her employment and are representative of the ongoing situation.

Determining Work Hours (Self Employed)

Self-employment income is income derived from farming, small businesses, rental, roomer/boarders, selling plasma etc., where taxes are NOT withheld PRIOR to the individual receiving pay. When taxes are withheld prior to the individual receiving pay, the income is considered wages.

Hours of self-employment that is countable towards the work requirement must be calculated manually by dividing the monthly profit (gross income less allowed expenses) by the minimum wage. The result would be the number of hours worked in a month. (Round up hours worked.) See chart under Determining Work Hours (Employment) to verify meeting work requirements.

Self-employed individuals who work in their own home must provide a written statement verifying inability to perform the self-employment with children present in the home. DCBS/Family Support staff will need to inquire closely into self-employed individuals who work in their own home to determine the nature of the self-employment and how having child care will be beneficial to the household.

Monthly Income Multiplier Table

Pay Frequency	Multiplier
Weekly	4 1/3
Bi-Weekly	2 1/6
Semi-Monthly	2
Monthly	n/a

MS 3045 WORK REQUIREMENT EXCEPTIONS (1)

A recipient's eligibility may be maintained during periods when they are not meeting the minimum work requirements if the recipient meets the following specified criteria. Child care assistance can be paid for up to three (3) calendar months or last day of certification period, whichever comes first for a health related break in employment due to childbirth/surgery/illness and due to loss of employment as they intend to return to work or seek employment. The recipient must provide verification for required leave through a statement from a health professional or verified birth or adoption of a child and verification from the employer of anticipated return to work.

Teen parents who are attending elementary, middle or high school or pursuing a GED are not required to work in the summer to receive child care assistance as long as they intend to return to school.

Maternity leave/surgery/illness must be reported in a timely manner, within ten (10) calendar days. Eligibility may be maintained for up to three (3) calendar months, if the qualified health professional verifies the medical condition requires additional leave.

NOTE: *The recipient may be off for extended time (more than three (3) months) with a statement from a qualified health professional. See MS 3040 Work Requirements for Low Income Working Families.*

A recipient has a grace period after a loss of employment, required employment hours, or training hours of up to three (3) calendar months or through the end of the eligibility period whichever occurs first.

If a recipient fails to make contact or becomes ineligible for services, the system will generate a DCC-105 Child Care Denial/Discontinuance Notice to the recipient and provider to reflect the case is being discontinued due to no eligibility.

A temporary change will adversely impact a case after initial or recert approval, if the client is not compliant with work requirements by the end of the grace period.

An increase in income following an initial or recert approval will not adversely affect eligibility unless the income is above 85% SMI.

MS 3050 TECHNICALLY INELIGIBLE FAMILIES (1)

Families are not eligible for CCAP benefits if care is provided by:

1. A natural or adoptive parent;

2. A step parent;

3. A caretaker/relative or their spouse;

4. A legal guardian or their spouse;

5. A person living in the same residence as the child;

6. A member of the KTAP or SNAP case in which the child is included;

7. A provider who is not licensed, certified, or registered;

8. Another child care provider, if the family operates a child care business in their home

9. An alternative program such as Head Start (unless participating in a wrap-around program), public preschool or kindergarten; or

10. Another child care provider if the family operates a child care business in their home.

MS 3500 EXCLUDED INCOME (1)

Excluded income is income received by the family but not considered in determining gross income. The following is a list of income, which is excluded:

1. All earned income received by a child;

2. Supplemental Security Income (SSI) for a child;

3. KTAP child only payments, including back payments & two (2) month exclusion;

4. Kinship Care payments, including back payments;

5. Educational grants, loans, scholarships, and work study income;

6. Kentucky Works supportive services payments;

7. The value of United States Department of Agriculture food program benefits;

8. SNAP;

9. Payments made directly to a third (3rd) party such as a doctor, pharmacist, landlord, utility provider, etc. by another individual or organization on behalf of a family member for which no work was performed; or unless the money is legally obligated to the client such as court ordered child support;

10. In-kind income;

11. Transportation reimbursements for an employment related duty;

12. Non-emergency medical transportation payments;

13. Monies received from federal disaster and state disaster assistance;

14. Home produce utilized for household consumption;

15. Highway relocation assistance;

16. Urban renewal assistance;

17. Housing subsidies received from state, federal, or local governments even if paid directly to the recipient; (This does not apply to BAH payments as these payments are legally obligated to the household. BAH payments shown on the LES are countable income.)

18. Funds distributed to certain Indian tribes.

19. Supportive services and reimbursements to individuals volunteering as Senior Health Aides or members of the Service Corps of Retired Executives or Active Corps of Executives;

20. If less than the minimum wage, payments made to an individual in the Volunteers in Service to America (VISTA), Foster Grandparents, Retired and Senior Volunteer Program, or Senior Companion Program;

21. Any payment made by the Division of Protection and Permanency for child foster care, foster care, or personal care assistance;

22. LIHEAP and other energy assistance payments;

23. The principal of a verified loan;

24. Up to $12,000 to Aleutians and up to $20,000 to individuals of Japanese ancestry for payments made by the United States Government to compensate for hardships experienced during World War II. (All recipients of this income are provided with written verification by the U.S. Government.);

25. Payments made from the Agent Orange Settlement Fund; (one (1) time only payment)

26. Earned Income Tax Credit (EIC) payments;

27. Any payments received from the Radiation Exposure Compensation Trust Fund;

28. Payments made to individuals because of their status as victims of Nazi persecution;

29. Income received from temporary employment from the United States Department of Commerce, Bureau of the Census;

30. Payments made from Crime Victims Funds in accordance with Section 234 of the Antiterrorism and Effective Death Penalty Act of 1996;

31. Loan assistance through the Farm Service Agency (FSA EM) pursuant to Section 321(a) of the Consolidated Farm and Rural Development Act;

32. Section 401 of the Veterans Benefits and Health Care Improvement Act of 2000, Public Law 106-419, provided for certain benefits for individuals with covered birth defects who are the natural children of women veterans who served in Vietnam during the Vietnam era. There is no age limit for recipients of these benefits. These individuals receive the benefits until they die;

33. A discount or subsidy provided to Medicare beneficiaries pursuant to Section 1860D-31(g)(6) of the Social Security Act;

34. Cash grants under the Department of State or Department of Justice

Reception and Placement Programs;

35. Vocational rehabilitation reimbursements for an individual participating in Preparing Adults for Competitive Employment;

36. Income which is received as a non-recurring lump sum payment;

37. Income or earnings from a program funded under the Workforce Innovation and Opportunity Act (WIOA) such as Job Corp;

38. Vendor Payment – payments made DIRECTLY to a doctor, pharmacist, landlord, utility provider, etc. by another individual or organization. The includes Home Energy Assistance (HEA) from private and public organizations or individuals;

39. Payments form the Tobacco Settlement;

40. Cash grants provided by refugee assistance programs;

41. Reimbursement payments for an individual participating in the Vocational Rehabilitation Preparing Adults for Competitive Employment program;

42. Payments received from World War II Filipino Veterans Equity Compensation Fund;

43. Discounts or subsides provided to Medicare beneficiaries;

44. Michelle P. Waiver (Income is being received by the parent to care for their child.) These hours worked can be counted toward work employment/hours, but the income is not excluded;

45. Interest and dividend income, unless derived from a corporate business;

46. Small nonrecurring cash gifts (e.g. Christmas, birthdays and graduation), or $30 or less but not totaling more than $30 per month for each member of the assistance group; or

47. Tuition, books, fees and supplies associated with veteran's education training, paid through the Department of Veterans Affairs Vocational Rehabilitation Program (Title 30 U.S.C. Chapter 31),

MS 3505 COUNTABLE INCOME (1)

Countable income is any money received by any individual of an applicant/recipient household which is not excluded and can reasonably be anticipated to continue. Countable income can be earned income from employment, tips, self-employment, contract or rental income. Countable income can be unearned income from child support, SSI for adult members only, RSDI, UIB, retirement and pensions, VA Compensation paid by the Department of Veterans Affairs Vocational Rehabilitation Program (Title 38 U.S.C. Chapter 31) or any other form of income for which no work is performed and which the household receives on a regular and ongoing basis. All countable income must be verified and documented at each application, recertification, and at any anticipated, known, reported, or suspected change in the individual's income.

If a recipient is receiving less money than they are entitled to due to an overpayment, the amount received is countable income.

Michelle P. Waiver income would be counted if the income is received by a client working a Michelle P. Waiver family

MS 3510 EARNED INCOME – TAXED WAGES (1)

Taxed wages are any income from full-time or part-time employment where the individual's portion of taxes is withheld by the employer prior to being paid to an individual. Tip income, odd job, occasional, seasonal, or contract employment is all included as taxed wages when taxes are withheld prior to receipt of the income.

Consider income derived from rental property as earned income for the earned income deduction only if a member of the household is actively engaged in the management of the property at least an average of twenty (20) hours per week. If the twenty (20) hours per week criteria is not met, the net income is considered unearned. Whether the income is considered earned or unearned, exclude the cost of doing business.

S Corporation – Any "wages" (in which taxes are withheld) that the household receives from the corporation are entered as earned income. Wages are most often reflected on the individual income tax return which includes: wages, salaries, tips, etc.

MS 3515 VERIFICATION OF TAXED WAGES (1)

1. Last Two (2) Calendar Months Income - For an individual with the last two (2) calendar months of unchanged work history with their current employer; verify actual gross income received by the individual for all pay periods in the last two (2) calendar month proceeding the month of application.

2. Employer Anticipated Wages - For an individual with new employment or with less than one (1) month of unchanged work history obtain verification of the estimated work hours and rate of pay the employer expects the individual will be working. If information is returned by an individual which indicates a recent change in work hours or pay the worker may use employer anticipated amounts or some form of alternate calculation as detailed below.

3. Alternate Verification - In many circumstance it may be necessary to use verification other than the preceding calendar month or the employer anticipated amounts to correctly anticipate an individual's representative income. Alternate forms of verification can include a current month, partial prior or some combination of these. Whenever an alternate source of verification is obtained and used it is required that case history comments be entered to explain the type of and reason for the alternate verification.

4. Tip Income - Countable tip income is monies received in addition to wages for services performed by the employee. Countable tip income includes the allocated or tip credit reported by the employer for tax purposes which may appear on the paycheck stub.

   Tip income may be verified by:

   A. Using the individual's daily tip log of actual tips received. A tip log is any record kept by the individual of tips received each day that shows date of receipt and amount; or

   B. Using the allocated tip or tip credit amount shown on the paycheck stub.

   For new applications or new tip income when verification is not available, use the individual's statement of anticipated tips. When tip income is reported, advise the individual of his/her responsibility of maintaining a daily tip log or obtaining third party verification of tip income.

5. Contract Income – Contract income is any taxed income for which the individual has a signed employment contract which has specific terms regarding the amount of pay that an individual will be paid over a specified period of time or for completion of specified tasks, duties or projects. Contract income is verified by a copy of the individual's current employment contract.

6. Ended Taxed Wages – If an individual reports a change of employment or the end of a job the worker can accept the client statement of the end of the job unless there is a documented reason to doubt the end of the employment.

7. Acceptable Forms of Verification – All countable taxed wages are to be verified at each application, recertification, and at any known, anticipated, reported, or suspected change in income.

   The following types of verification may be used to verify wages:

   A. Copies of actual check stubs received;

   B. PAFS-700 Verification of Employment and Wages signed and completed by Employer;

   C. Written statement from the employer;

   D. Employer printout of actual wages received;

   E. Eligibility Advisor;

   F. Collateral Contact;

   G. Employment Contract;

   H. Tip logs. (The individual's statement may only be accepted for initial application or at the beginning of new employment with tip income)

MS 3520 CALCULATION OF TAXED WAGES (1)

1. Using actual amounts received- The following procedures are to be used when calculating income using actual income amounts whether for the prior two (2) calendar months or for an alternate verification source.

    A. Do NOT round cents before adding or multiplying hourly or daily earnings. Round all cents before adding or multiplying weekly, bi-weekly, semi-monthly, quarterly, or annual amount.

    B. Only income which is representative of ongoing income is to be included in the calculation.

    C. Determine the average amount of income received per pay period by totaling the income from all representative pay periods and dividing the total by the total number of pay periods.

    D. Determine average monthly income by multiplying the average amount received per pay period by the appropriate multiplier below. Round the monthly amount to the nearest dollar.

Monthly Income Multiplier Table

Pay Frequency	Multiplier
Weekly	4 1/3
Bi-Weekly	2 1/6
Semi-Monthly	2
Monthly	n/a

2. Using employer anticipated income- If an individual has recently started a job, has not received two (2) calendar months of wages, or past wages are not reflective of current income, the monthly anticipated income is determined in the following manner.

    A. Multiply the hourly rate of pay by the estimated number of hours to be worked in a pay period to determine the average income per pay period.

    B. Multiply the average income per pay period by the appropriate multiplier as identified in the Monthly Income Multiplier Table above.

3. Calculating Tip Income - Calculate tip income in the following manner:

    A. Use the same time period used in determining the monthly amount of earned income for determining tip income (e.g., if income is determined by using the prior two (2) calendar months wages, then use the prior two (2) calendar months amount of tips shown on the daily tip log or use the allocated tip or tip credit amount shown on the paycheck stub).

B. If daily tip log is used, add the monthly tip income to the calculated monthly earned income for the total monthly wages.

C. If using an individual's statement of tips, determine the average amount of tips received per pay period and multiply that amount by the correct multiplier above.

4. Calculating Contract Income– Not every school employee is a contract employee. Refer to items a. or b. for treatment of income for school employees.

A. Annualize income which is governed by a verbal or written contract or payment agreement. This applies even if the income is received in less than twelve (12) months. Begin to annualize income when the first month payment is received.

Example 1: Contract stipulates $10,000 for one year. (This income is annualized. The system should count $833 per month.)

Example 2: Contract stipulates $10,000 for one year and is based on an hourly rate. The employee's contract is based on the number of hours expected and the hourly wage agreed upon to determine the annual gross. The employee will not receive any more or less than the total gross not matter how many hours they work. It is a set, agreed upon amount and will not go up or down without another contract. (This income is also annualized. The system should count $833 per month.)

B. Do not authorize income which is received on an hourly or piecework basis that is not governed by a written or verbal contract.

Example: Contract stipulates the recipient is to be paid an hourly amount with no annual limited established. (This income is not annualized, but is prorates over the period of time the income is intended to cover.)

C. For contract wages, other than school employees, who are governed by a written contract or payment agreement, divide the income over the amount of time the contract stipulates.

Example 1: Contract stipulates the recipient is to be paid $1,200 for six (6) months, beginning January 1st and ending June 30th. After six (6) months the contract ends and no additional wages will be received unless a new contract is signed. The wages would be averaged for six (6) months beginning the first month the payment is received.

Example 2: Contract stipulates the recipient is to be paid $36,000 for eighteen (18) months, beginning March 1st and ending August 31st. After eighteen (18) months the contract ends and no additional wages will be received unless a new contract is signed. The wages would be averaged for eighteen (18) months beginning the first month the payment is received.

MS 3525 SPECIAL CONSIDERATIONS WITH TAXED WAGES (1)

1. Exclude from wages identifiable reimbursement for transportation in performance of duties, if identifiable.

2. DO NOT deduct garnishments on salary.

3. Consider living allowances (stipends) paid by programs established under the National and Community Services Trust Act of 1993 (such as AmeriCorps) as earned income.

4. Consider all VISTA payments paid through AmeriCorps that equal or exceed the minimum wage, as earned income; exclude all income less than minimum wage. To determine if the VISTA payment equals or exceeds the applicable minimum wage, send a written request to: State Director of ACTION, 600 Federal Place, Room 372-D, Louisville, Ky. 40202

MS 3530 SELF-EMPLOYMENT (1)

NOTE: ALSO REFERENCED MS 3045 WORK REQUIREMENTS FOR LOW INCOME WORKING FAMILIES

An individual is considered to be self-employed when he/she is working in his/her own business, trade or profession rather than working for an employer. Self-employment income is ANY income paid to an individual for products or services from which NO taxes are withheld PRIOR to receipt of income by the individual. If Social Security and income taxes are being withheld by an employer, the individual is not self-employed.

Self-employment income may be received annually, or monthly, or it may fluctuate, as in a seasonal self-employment activity.

The following are some common types of self-employment:

1. Small business owners such as grocers, hobby shops, restaurants, etc.

2. Individuals who subcontract skills or labor to another person or entity who does not withhold taxes such as carpenters, painters, performers, etc.

    A. These individuals may or may not receive a Form 1099 for tax filing purposes.

    B. Many subcontractors may work for another individual or company on an ongoing basis but if the employer does not withhold taxes then the employee is self-employed. (S*ee Example 1*)

3. Individuals who receive income from farming such as tobacco farmers, some horse farms, and owners of small farms that are operated as a profitable.

4. Individuals who receive income from rental property, boarders, or roomers.

5. Individuals who perform odd jobs, seasonal work, or any activity for which they receive monetary compensation that is not taxed. This would include such activities as hobby activities from which an individual profits, selling plasma, selling aluminum cans or scrap metals, seasonal yard work, etc. (*See Example 2*)

    Example 1: Jonah works for Smith & Johnson Home Builders as a carpenter. He has been working for the company for a period of eight (8) years. When Jonah returns his verification of income from the company they have indicated that they do not withhold taxes from Jonah's check. Jonah is self-employed and the verification from Smith and Johnson is insufficient. Jonah will need to provide verification of his income as outlined in MS 3535 Verifying of Self-Employment.

    Example 2: In her spare time Martha works out of her home creating flower arrangements that she sells at a local flea market on weekends to get a little spending money. Martha has been doing this for a period

of several years and has not filed taxes on it as she considers it a hobby. This is self-employment income. Martha will be required to provide verification of the income as outlined in MS 3535 Verification of Self-Employment.

6. S Corporation – Any “distributions” that the household receives from the corporation must be entered as self-employment earned income to allow the 20% earned deduction only. Although entered as self-employment, this is not considered self-employment. No other expenses should be entered. Distributions are most often reflected on the individual income tax return line which includes: Rental real estate, royalties, partnership, S Corporations.

MS 3535 VERIFICATION OF SELF-EMPLOYMENT INCOME (1)

1. Established Self-Employment - The business records of the self-employment activity are the primary source of verification of self-employment income. Acceptable sources of verification include, but are not limited to:

    A. Statements of an outside accountant;

    B. Ledger books, records or receipts maintained by the applicant;

    C. Information from the most recent IRS tax forms.

    D. PAFS-121, Irregular Work Form

    When using tax records to verify self-employment income and deductions it is important that DCBS staff gather information from the correct forms. Most self-employed individuals will have a Form 1040 Schedule C, C-EZ, E, or F. The type of form is based upon the nature of the self-employment. These forms are to be used to determine the income and deductions for the self-employment. DO NOT use figures from Form 1040 such as business or farm income or (loss) or adjusted gross income. It is possible for individuals to have more than one of these forms as one must be completed for each self-employment in which that individual is engaged.

2. New Self-Employment - If an applicant has just started a new business, the applicant's statement of gross income may be accepted as a last alternative only if no business or tax records are available. This statement shall not be accepted for operating expenses. If the DCBS staff accepts the applicant's signed, written statement of gross income, the reason the applicant has no business records must be documented. In addition, DCBS staff advises the applicant that at subsequent case changes and recertification it will be necessary to provide adequate business records to establish income in order to continue to receive services.

3. End of Self-Employment Income – Self-employment income may only be ended when an individual is no longer actively pursuing and does not anticipate any future income from self-employment. Reductions in income as a result of seasonal or market fluctuations do not constitute an end to the income unless the individual has no intent of pursuing further income from the self-employment. The individual's statement may be accepted for the end of income unless there is a documented reason to doubt the end of the income.

MS 3540 CALCULATION OF SELF-EMPLOYMENT INCOME (1)

The amount of self-employment that is countable to an individual is the total amount of earnings before deductions reduced by any allowed operational expenses, which are listed below. Self-employment income will be counted and verified for the period in which it was received.

$$\text{Monthly hours} = \frac{\text{Gross income – deductions}}{\text{Federal minimum wages}}$$

Self–employment income remains countable as long as the individual is actively involved in or pursuing income from the self-employment, regardless of market and seasonal fluctuations.

> Example: Jonah subcontracts as a carpenter with a home builder. He has provided his income taxes for the prior year which have been used to determine his income. During his eligibility period Jonah contacts the DCBS/Family Support staff to report a reduction in his income. The DCBS/Family Support staff determines that Jonah is still working as a carpenter and that his income is reduced currently due to weather conditions and because the builder has not had any work for him. Due to the fact that these are seasonal and market fluctuations with self-employment no change would be made to the case.

1. Self-employment in operation for more than a year -
   If the self-employment has been in operation for at least one (1) year, the DCBS/Family Support staff will enter the verified gross income and allowable deductions for the last calendar year into the Worker Portal.

   NOTE: Calculation method to determine self-employment hours still applies.

2. Self-employment in operation for less than a year -
   If the self-employment has been in operation for less than a year the DCBS/Family Support staff will need to determine the number of months that the individual has been involved in the self-employment. After rounding, divide the gross income by the number of months the business has been in operation. Do round. This is the gross monthly income. After rounding, divide the allowable deductions by the number of months of operation. Do round. This is the monthly deductions for self-employment. Subtract the monthly deductions from monthly income. The difference is the countable income, or profit.

   NOTE: Calculation method to determine self-employment hours still applies

3. Operational Expenses -
   Operational expenses are the cost of carrying on a trade or business. To be deductible, an operational expense must be connected with or pertaining to a trade or business.

   Operational expenses, based on deductions allowed by the Internal Revenue Service (IRS), are outlined on the

Depreciation, although allowed by the (IRS) as a deduction, is not allowable deductions for purposes of determining eligibility for subsidized child care.

A mileage deduction equivalent to the current business IRS mileage rate, accessed at: http://www.irs.gov/newsroom/article/0,,id=232017,00.html or the mileage amount shown on the federal tax return, if the person uses his/her private vehicle in the performance of the self-employment site if other than where the client lives. If the mileage rate fluctuates, determine the average rate for the quarters in which transportation expenses are claimed.

4. Allowable Deductions - Non-Farm Business -
The following list indicates the non-farm business expenses allowed by the IRS which are deductible for determination of eligibility:

A. Advertising;

B. Car and truck expenses;

C. Commissions and fees;

D. Contract labor;

E. Employee benefit programs;

F. Insurance (other than health);

G. Interest (mortgage and/or other);

H. Legal and professional services;

I. Office expense;

J. Pension and profit-sharing plans;

K. Rent or lease of vehicles, machinery and equipment and other business property;

L. Repairs and maintenance;

M. Supplies;

N. Taxes and licenses;

O. Travel, meals and entertainment;

P. Utilities;

Q. Wages (less employment credits);

R. Other expenses;

S. Expenses for business use of the applicant's home;

T. Depletions.

5. Allowable Deductions- Farm Income -
The following list indicates the farm expenses allowed by the IRS which are deductible for determination of eligibility:

A. Car and truck expenses;

B. Chemicals;

C. Conservation expenses;

D. Custom hire (machine work);

E. Benefit Programs;

F. Feed;

G. Fertilizer and lime;

H. Freight and trucking;

I. Gasoline, fuel and oil;

J. Insurance (other than health);

K. Interest (mortgage and/or other);

L. Labor hired (less employment credits);

M. Pension and profit-sharing plans;

N. Rent or lease expenses (vehicles, machinery, equipment and other-land, animals, etc.);

O. Repairs and maintenance;

P. Seeds and plants;

Q. Storage and warehousing;

R. Supplies;

S. Taxes;

T. Utilities;

U. Veterinary, breeding and medicine;

V. Other expenses (such as accounting/record keeping fees, attorney fees or advertising);

W. Depletions.

MS 3545 UNEARNED INCOME (1)

Unearned income is any income paid to the household for which no work is performed. Consider the following unearned income if received by any member of the household, including children.

1. Child Support payments paid to the household whether paid directly to the household by the individual or through the Division of Child Support Enforcement,

2. Supplemental Security Income (SSI) payments made to any adult in the household from the Social Security Administration (SSA). Count the actual amount of the SSI received by the individual,

3. Retirement, Survivors and Disability Insurance (RSDI) payments made to any member of the household from the Social Security Administration (SSA). Count the gross amount of RSDI before the deduction for the SMI premium,

4. Annuities, (Prorate over a twelve (12) month)

5. Lottery winnings paid annually, (Pro-rate over a twelve (12) months)

6. Pensions,

7. Retirement payments,

8. Veteran's or disability benefits, including Agent Orange payments issued by the Department of Veterans Affairs,

9. Worker's compensation,

10. Unemployment insurance benefits,

11. Strike benefits,

12. Any portion of a KTAP grant, excluding payee only cases, which do not include the parent in the KTAP grant,

13. Statutory benefits which are due the household but which are diverted to a third party or protective payee for purposes such as managing a household's expenses even if the household has the option of receiving a direct payment,

14. All money payments from any source which can be construed as a gain or benefit, including, but not limited to royalties and payments from government sponsored programs unless otherwise excluded,

15. Contributions made to the household from individuals not living with the family,

16. Monies that are legally obligated and otherwise payable to the household, but which are diverted by the provider of the payment to a third party for household expenses are counted as income. The distinction is whether the person or organization making the payment on behalf of a household is using funds that otherwise are payable to the household. If an employer, or agency who owes these funds to a household diverts them instead to a third party to pay for a household expense, these payments are still counted as income to the household (e.g., garnishment on wages).

NOTE: Consider income derived from rental property as earned income for the earned income deduction only if a member of the household is actively engaged in the management of the property at least an average of twenty (20) hours per week. If the twenty (20) hours per week criteria is not met, the net income is considered unearned. Whether the income is considered earned or unearned, exclude the cost of doing business.

S Corporation – Any “dividends the household receives from the corporation are considered as unearned income. Dividends are most often reflected on the individual income tax return line which includes Ordinary/qualified dividends.

MS 3550 VERIFICATION OF UNEARNED INCOME (1)

Use the following types of documentation for unearned income:

1. Award letters or verification forms from Social Security;
2. Job service card;
3. Company pension statement;
4. Internal Revenue Service records;
5. Veterans records;
6. Railroad Retirement records;
7. Support orders;
8. Union records;
9. IMS Program 39;
10. Contract on sale of property;
11. Bank statements;
12. Statement or copy of checks from the non-custodial parent for support payments; or
13. Statement from the person or entity providing income to the individual.

MS 3555 CALCULATION OF UNEARNED INCOME (1)

The gross monthly amount of unearned income types is countable, regardless of the amount issued to the individual.

A. Do NOT round cents before adding or multiplying hourly or daily earnings. Round all cents before adding or multiplying weekly, bi-weekly, semi-monthly, quarterly, or annual earning.

When calculating gross or net monthly income and deductions, round the monthly amounts to the nearest dollar.

B. For unearned income which is received on a weekly, bi-weekly, or semi-monthly basis convert the income to a monthly amount by multiplying the amount received in each period by the correct multiplier as shown in the table below.

Monthly Income Multiplier Table

Pay Frequency	Multiplier
Weekly	4 1/3
Bi-Weekly	2 1/6
Semi-Monthly	2
Monthly	n/a

C. If monthly income fluctuates, average the amounts received in the prior three (3) calendar months unless it does not represent the ongoing situation.

MS 3560 CHILD SUPPORT AND/OR SPOUSAL SUPPORT (1)

Count child support or spousal support payments made directly to the household by non-household members or by the Division of Child Support (DCS) as income.

Child and/or spousal support income is the amount of legally established or voluntary child/spousal support regularly received by the family. Voluntary payments are those amounts made by a legal, alleged, or adjudicated parent when there is no court order for support. Any amount of a military allotment designated as child/spousal support is considered as child/spousal support.

Child support income is considered in the child care assistance case and attributed to the adult as income.

A. Verifying Child Support Income - The following may be used to verify child support income.

1. Child Support Enforcement (CSE) External Search

2. A printout from the entity which issues the payments.

3. A written statement - Verification from the non-custodial parent of the child support is paid voluntarily.

4. Collateral contact with the person or entity from whom the payments are received. (Contact information for the person or entity must be documented in case comments.)

5. A client-provided ReliaCard statement.

If an individual cannot obtain verification of child support income due to an uncooperative non-custodial parent or an unreasonable cost associated with obtaining the verification, the individual's statement may be accepted upon first being reported. Check stubs, bank statements, the Worker Portal, or other documentary evidence can be used to support the client's statement in this instance but cannot be used as primary verification. For any subsequent actions the individual must maintain a record, log, and any other available documentary evidence as verification.

NOTE: Comments must be entered to document the reason for accepting the individual's statement and that the individual has been informed of the requirement to maintain a record for future case actions.

B. Calculating Child Support -To calculate the monthly amount of child support:

1. If representative of the ongoing amount of child support; manually calculate the total amount of child support for the three (3) prior months (do not round) and average the total to get the average monthly amount (do not round).

Example: In the prior three (3) months the non-custodial parent paid the following amounts. Prior month 1: $100, Prior month 2: $0.00, Prior month

3: $200. The income from all three (3) months would be totaled to $300 and divided by three (3) months for an average monthly income of $100 of countable income.

2. If not representative (e.g., received less than three (3) months, reduction in amount paid; etc.); Use the monthly amount that best represents the ongoing child support income. For Child Support income which is received on a weekly, bi-weekly, or semi-monthly basis convert the income to a monthly amount by multiplying the amount received in the representative periods by the correct multiplier as shown in the table below.

Monthly Income Multiplier Table

Pay Frequency	Multiplier
Weekly	4 1/3
Bi-Weekly	2 1/6
Semi-Monthly	2
Monthly	n/a

C. Ending Child Support

1. Court Ordered Support – Regularly Received– Child support which is court ordered and is received on a regular basis can be ended when verification has been provided which shows,

   (a) Change in court order,

   (b) Incarceration of the Non-Custodial Parent (NCP),

   (c) Death of NCP,

   (d) Other circumstance which shows the NCP will no longer be able to make payments,

   (e) That no payments have been received in the prior three (3) months, or

   (f) That the payments have ceased and no new payments have been issued to the client.

2. Court Ordered Support – Irregularly Received - Child support which is court ordered and received on an irregular basis can only be ended when verification has been received that no new payments will be issued due to a:

   (a) Change in court order,

   (b) Incarceration of the Non-Custodial Parent (NCP),

   (c) Death of NCP,

(d) Other circumstance which shows the NCP will no longer be able to make payments, or

(e) When no payments have been received in the prior three (3) months.

Otherwise use the prior three (3) months of actual payments to calculate the child support income.

3. Voluntary Support - Support which is paid directly to the recipient by the NCP can be ended when,

(a) A written statement from the NCP has been received that they will no longer be making payments,

(b) Incarceration of the NCP,

(c) Death of NCP, or

(d) Other circumstance which shows the NCP will no longer be able to make payments.

MS 3565 CHILD SUPPORT DEDUCTION (1)

Prior to comparing the family's gross income to the allowed scale for size and type deductions are allowed for actual legally obligated child support payments paid by the head of household or responsible adult to a child living outside the home. The amount of the monthly deduction is determined in the same manner as when calculating the monthly amount or child support. See MS 3560 Child Support and/or Spousal Support.

NOTE: The total deduction may not exceed the amount that the individual is legally obligated to pay, regardless of the amount actually paid, unless the excess is toward a verified arrearage.

MS 3570 DEFINING FAMILY SIZE FOR DETERMINING INCOME ELIGIBILITY (1)

A family, for purposes of an eligibility determination for child care, consists of the head of household, the second responsible adult if present, and any children under age nineteen (19) and living in the home.

Example 1: Household consists of Susie, Jed her boyfriend, and Susie's two (2) children, ages three (3) and six (6). Susie needs child care for her children. Susie is the head of household. Family size is three (3) and consists of Susie and her two (2) children. Susie's income is counted.

Example 2: Household consists of Mary, her husband, Tim, and their two (2) children, ages three (3) and six (6). Mary and Tim need child care for the three (3) year old. Mary is the head of household. Tim is the responsible adult. Family size is four (4) and consists of Mary, Tim, and their two (2) children. Mary and Tim's income is counted.

Example 3: Household consists of Cindy, Cindy's mom, Hilda, and Cindy's two (2) children, ages three (3) and six (6). Cindy needs child care for her children. Cindy is the head of household. Family size is three (3) and consists of Cindy and her two (2) children. Cindy's income is counted.

Example 4: Household consists of Jenny, sixteen (16), Connie (Jenny's aunt), Sam (Connie's husband), Otto (Jenny's cousin) and Drew, Jenny's baby. Jenny is a teen parent and needs child care for her baby. Jenny is the head of household. Family size is two (2) and consists of Jenny and Drew. Jenny's income is counted.

Example 5: Household consists of Mimi, her husband Sam, Tootie, their sixteen (16) year old daughter, and their three (3) month old nephew, Jason. Mimi needs child care for Jason. Mimi is head of household. Sam is the responsible adult. Household size is four (4) and consists of Mimi, Sam, Tootie and Jason. Mimi and Sam's income is counted.

MS 3575 INCOME GUIDELINES (1)

The family applying for low income subsidized child care services must have gross countable income at or less than the Child Care Income Limit. Families who have been approved for child care services remain income eligible as long as their countable gross income is at or below 85% of the STATE MEDIAN INCOME.

Child Care Income Limit (initial application)	
HH2	*$2,165*
HH3	*$2,723*
HH4	*$3,280*
HH5	*$3,837*
HH6	*$4,395*
HH7	*$4,952*
HH8	*$5,509*
HH9	*$6,067*
HH10	*$6,624*
HH11	*$7,181*
HH12	*$7,739*
HH13	*$8,296*
HH14	*$8,853*
HH15	*$9,411*

85% of SMI (Effective 07/01/2017)	
HH2	*$4,294*
HH3	*$4,808*
HH4	*$6,072*
HH5	*$6,772*
HH6	*$7,472*
HH7	*$8,172*
HH8	*$8,872*
HH9	*$9,572*
HH10	*$10,272*
HH11	*$10,972*
HH12	*$11,672*
HH13	*$12,372*
HH14	*$13,072*
HH15	*$13,772*

https://www.justice.gov/ust/eo/bapcpa/20170501/bci_data/median_income_table.htm

At recertification families who have been approved for child care services remain income eligible as long as countable gross income is less than or equal to the Child Care Income limits. Families who have been approved for child care services remain income eligible as long as their countable gross income is at or below 85% of the STATE MEDIAN INCOME.

NOTE: The 10-10-10 Policy is used if the gross income is more than the Child Care Income limits.

Child Care Income Limit (recertification)	
HH2	*$2,233*
HH3	*$2,808*
HH4	*$3,383*
HH5	*$3,957*
HH6	*$4,532*
HH7	*$5,107*
HH8	*$5,682*
HH9	*$6,256*
HH10	*$6,831*
HH11	*$7,406*
HH12	*$7,981*
HH13	*$8,555*
HH14	*$9,130*
HH15	*$9,705*

MS 3580 CHILD CARE RESOURCE LIMITS (1)

To remain eligible for child care, resources must remain less than 1 million dollars.

MS 4000 ELIGIBLE PROVIDERS (1)

Families may select an eligible child care provider of their choice. Protection and Permanency (P & P) staff may limit the choice of a child care provider to a licensed or certified center or home depending on the safety concerns present in the family's situation.

In order to receive payment from the Child Care Assistance Program (CCAP) a provider must be a:

1. Licensed Provider - Child care facility with a current license issued by the Office of the Inspector General (OIG), Division of Regulated Child Care (DRCC);
2. Certified Provider - Family child care home provider certified by OIG, DRCC, to care for up to six (6) unrelated children;
3. Registered Provider - Child care provider approved and registered by DCC staff and care for no more than three (3) unrelated children. A family determined eligible for the Child Care Assistance Program (CCAP) may choose a private individual such as a relative or neighbor to care for their children. In order to be paid CCAP funds for the providing child care services, these individuals must meet minimum health, safety and training requirements and be registered by the State. The individual must apply for registration; provide all requested information, and meeting all regulatory requirements. Within three (3) days of the applicant's intent to apply for registered status, DCC staff will mail or provide the applicant with a Registered Provider Packet located on the Registered Provider page on the internet, http://chfs.ky.gov/dcbs/dcc/registered.htm. The packet includes instructions to provide all necessary forms and verification within a thirty (30) day timeframe. The parent may enroll with the provider, but payment will not be made based on the client and provider eligibility.

NOTE: Parents that choose a Registered Provider should be given a business card with the Division of Child Care contact information. The DCC staff can mail a Registered Provider packet to the applicant to complete and return for approval.

MS 4005 DETERMINING NEED FOR CHILD CARE (1)

In order to qualify for child care services, the family must need child care for one (1) or more of the following reasons:

A. To maintain employment;

B. To support child protective services;

C. To attend school, if a teen parent;

D. To attend activities as required participation in Kentucky Works.

For families who are approved for child care due to employment, services may be provided to cover time spent in educational activities.

Child care must accommodate the work and school schedule of the adults and allow for commuting time. Additionally, there may be circumstances that keep the child in care for more hours than usual, such as a child suspended from school, school closed for damages, and snow days.

If a parent works full time during the third shift (defined as the hours from 11:00 p.m. to 7:00 a.m.), care may be authorized during daytime hours in order to sleep if all other income and eligibility requirements are met.

For low income cases, the DCC-90L Student Enrollment and Unpaid Work Verification completed by the adult can be used to determine the child care arrangement that best meets the needs of the family.

For cases approved by the DCBS staff, information provided on the DCC-85 is used to determine the hours and days of the week care is needed.

Full day care is defined as five (5) or more hours per day. Part day care is defined as less than five (5) hours per day. Payments to all providers are made based on the child's daily attendance.

MS 4010 PART-TIME CARE (1)

Child care services will be paid according to the parent's schedule. The parent may select services from a licensed, certified or registered provider.

When a client who is only eligible for part day care requests full day care, it is to be given and the reason documented in the comments. The same applies for additional days per week.

MS 4015 MULTIPLE PROVIDERS (1)

The schedule of the adult or child may require the use of more than one (1) provider to meet the need for child care.

Example: Mother works days Monday through Friday and attends college classes three (3) nights per week. Her children attend Kindercare while she works. Their grandmother, a registered provider, watches them in the evening when their mother goes to class. Full day care, Monday through Friday, is authorized for Kindercare. Part day care is authorized three (3) days per week to the grandmother.

Example: Children are school aged and attend a licensed after-school program when school is in session. During Christmas break, they are cared for by their aunt, a registered provider. Part-day care is authorized to the after school program while school is in session in December. For the two (2) weeks school is out, the aunt is authorized to receive full day payments.

Example: Mother works a fluctuating schedule at McDonald's that includes some weekends. Her children attend an after school program during the week. On weekends, their aunt, a registered provider, cares for them. Part day care is authorized for the after school program, and depending on the hours scheduled on the weekends, full day or part day care is authorized for the time spent in the aunt's care.

MS 4020 CHILD CARE CERTIFICATE TO ACCESS CHILD CARE SERVICES (1)

Families who are determined eligible for child care subsidies are provided with a DCC-94.1 Child Care Approval Notice as proof of eligibility and is used by the client to access child care services from a child care provider. The DCC-90P CCAP Job Search Documentation is provided to all families who gain initial eligibility based on job search. The DCC-102 We Need Information for CCAP is provided to all families approved who have not chosen a provider at the time of application. Families approved by Protection & Permanency staff are provided a copy of the DCC-85 Approval for Child Care Assistance to access child care services.

Families have thirty (30) days from the date of approval for child care services to choose a provider. However, the case will not be discontinued if a provider is not chosen within the thirty (30) days unless the DCBS staff gets returned mail. The case can then be discontinued due to failure to locate.

When the family has chosen an approved provider, the DCBS staff will enter enrollment information on the Worker Portal and generate a DCC-94, Child Care Service Agreement and Certificate. This service agreement confirms enrollment, rates, children cared for, schedules, and family co-payments. Payment cannot be authorized to a provider without their representative signing and returning the service agreement to DCBS staff.

If the DCC-94, Child Care Service Agreement and Certificate is not returned within the ten (10) day timeframe, the worker sends a DCC-111, Parent Notice of Need to Change Child Care Providers to the client. The DCC-111 advises that the provider has not been approved to be paid for child care services and the client must choose a new provider within ten (10) days. If the DCC-94 is not returned within twenty (20) days of the enrollment start date the DCBS staff will enter an Enrollment End Date in the Worker Portal and the provider will not receive payment. There is no exception to this for DCBS approvals as the DCC-85 indicates payments will be made if the provider is approved to receive payments on the client’s behalf.

MS 4025 CONSUMER EDUCATION (1)

Among the goals of the Child Care Development Fund (CCDF) is to encourage states to provide consumer education information to help parents make informed choices about child care.

Parents are to be informed about:

1. Choosing quality child care and provided a DCC-112 Looking for Quality Child Care;

2. KRS 199.898 Rights for children in child-care programs and their parents, custodians, or guardians-Posting and distribution requirements;

3. The availability of the Public Child Care Provider Search - https://prdweb.chfs.ky.gov/kiccspublic/providersearchpublic.aspx.

MS 4500 REQUIRED ACTION ON CHANGES (1)

Clients are still required to report changes. The way the DCBS staff responds depends on what the change is. We want to look more toward stability of the placement of the child. We want to try to ensure once a child is placed in care that the care is available without interruption.

> NOTE FOR CO-PAYMENT CHANGES: Co-payments do not increase during the initial eligibility year. However, a co-payment may be decreased due to changes reported by the client.

When a change report is received, the DCBS staff is responsible for:

1. Requesting information needed to document a reported change on a DCC-102 We Need Information for CCAP (RFI);
2. Issuing a DCC-94 Child Care Service Agreement and Certificate confirming when benefits increase or decrease and co-payments decrease;
3. Issuing a DCC-105 Child Care Denial/Discontinuance Notice;
4. Proving all necessary provider documents and notices.

A temporary change will adversely impact a case after initial or recert approval, if the client is not compliant with work requirements by the end of the grace period.

An increase in income following an initial or recert approval will not adversely affect eligibility unless the income is above 85% SMI.

MS 4505 CHANGES IN ELIGIBILITY FACTORS (1)

Changes that may affect eligibility or benefit amounts include:

1. Beginning or ending employment;
2. Change in an employer;
3. Increase or decrease in the number of work hours;
4. Increase or decrease in the rate of pay;
5. Increase or decrease in recipient members;
6. Change in self-employment activities;
7. Change in the scheduled hours care is needed;
8. Beginning or ending an educational activity;
9. Change in child care providers;
10. Change in address or residence;
11. Change in marital status;
12. Beginning or ending receipt of any type of unearned income; or
13. Increase or decrease in any type of unearned.

A temporary change will adversely impact a case after initial or recert approval, if the client is not compliant with work requirements by the end of the grace period.

An increase in income following an initial or recert approval will not adversely affect eligibility unless the income is above 85% SMI.

MS 4510 KNOWN CHANGES WITHIN AN ELIGIBILITY PERIOD (1)

Changes are automatically identified for cases in which the age of the recipient impacts eligibility. These include:

1. A child's thirteenth (13th) birthday when special needs are not present

2. A child's nineteenth (19th) birthday when special needs are present

3. A teen parent's twentieth (20th) birthday

NOTE: A twelve (12) year old child turning thirteen (13) and an eighteen (18) year old child turning nineteen (19) will continue to receive child care assistance during the approved twelve (12) month eligibility period. If the application is approved for benefits, the determination is valid for twelve (12) months. The twelve (12) month period begins on the date of application and is valid until twelve (12) months later.

Other future known or anticipated changes to the recipient's circumstances that impact eligibility are flagged for action by DCBS/Family Support staff. Staff enters a case change date and documents in case comments the reason for the change.

Depending on the circumstances, DCBS/Family Support staff may send a DCC-102 We Need Information for CCAP (RFI) to the recipient requesting verification.

Example: Recipient report at recertification interview in May that she will not be attending summer school classes and won't need child care services for the time spent at school. She will continue to work for her current employer. She does plan to return to school in the fall and will need care for her children while she attends evening classes. The next term starts September 20. The DCBS staff enters a case change date of September 20 and case comments to check on school enrollment.

Example: Recipient has six (6) months' probation at work with an anticipated raise date of October 30. A case change date of October 30 and case comments are entered to review the employment situation

A. <u>Provider Changes</u>

The DCBS staff takes action on a recipient's request to change a provider.

Payment of services is made only to the provider actually providing care of child. A DCC-94C Provider Notification Letter is issued to the new provider. The recipient is notified to choose a new provider within ten (10) days.

If the recipient chooses an unregulated provider, the new provider needs to contact the Division of Child Care.

NOTE: *Provider discontinuations must be dated eleven (11) or more days out, as it is required providers receive a notification ten (10) days before discontinuance.*

EXCEPTIONS - Ten (10) days notification for a provider change not required:

- Provider Closure;
- Provider License/Certificate is expired;
- Child abuse;
- Provider will not let child return; and
- Worker error

B. Provider Closures

When services to a provider will cease due to the provider's failure to meet regulatory requirements, notice is sent to the provider. For licensed and certified providers, denial, revocation and suspension notices are generated by the Division of Regulated Child Care (DRCC). For a registered provider who is closed or revoked, DCC staff generates a DCC-108 Notice of Adverse Action for Child Care Providers and Early Care and Education Professionals. Notice is sent by DCC staff to recipients of CCAP advising that a different provider must be chosen. The DCC-111 Parent Notice of Need to Change Child Care Providers is used for this purpose.

MS 4515 TIME FRAMES FOR PROCESSING CHANGES (1)

Changes must be reported within ten (10) calendar days of when the change is known by the recipient. Recipients receiving child care assistance must be given ten (10) calendar days' notice prior to a negative action being taken by DCBS staff. A DCC-105 is used to notify the recipient of the change and effective date of reduced or discontinued benefits. Failure to report a change timely could result in not receiving benefits they were eligible to receive or erroneous benefits being issued and a subsequent overpayment and possible referral for fraud investigation.

NOTE: The administratively feasible date for discontinuations is ten (10) days before the end of the month.

Workers enter a reported change the day it is reported and send a DCC-102 We Need Information for CCAP (RFI) and required forms to the recipient requesting verification of the change. Recipients are given ten (10) days from the date the DCC-102 is sent to provide the verification.

A temporary change will adversely impact a case after initial or recert approval, if the client is not compliant with work requirements by the end of the grace period.

An increase in income following an initial or recert approval will not adversely affect eligibility unless the income is above 85% SMI.

MS 4520 EFFECTIVE DATES (1)

The effective date of a change to an active case is dependent on whether it impacts the recipient positively or negatively.

1. Positive Action to a Case

For changes that result in a positive action to the case, such as a decrease in co-payment or adding a child, the effective date is the next day.

If adding a new member, this will be the date of the change reported to add the new member if all technical and financial eligibility factors are met.

For other changes that decrease the co-payment the effective date of the change is the date the change was reported by the recipient if all requested documentation of the change is provided.

> Example: A recipient reports on June 19 that the adult will no longer receive alimony payments and provides a letter from the ex-spouse stating payments stopped in May due to a revised court order. Action is taken by the worker on June 25 to remove this income from the case which results in a reduction in the required co-payment. The revised service agreement will indicate a start date of June 26 for the reduced co-payment amount.
>
> Example: A mother and her two (2) children have an active child care assistance case based on her low income employment. On June 25, the DCBS staff receives a DCC-85 Approval for Child Care Assistance, due to protection needs of one (1) of the children and waiving the co-payment. The DCC-85 indicates a start date of May 15. Payment for the month of May has already been made. The revised service agreement will indicate a start date of June 26 for the waived co-payment.

2. Negative Action to a Case

Changes reported during the recertification process, the effective day is the first day of the new eligibility period. This date is the interview date if the changes are positive or there are no changes to the case. If there are negative changes to be made, a DCC-105 is sent to the recipient to allow for a ten (10) day notice prior to benefits being decreased. The changes are effective after the ten (10) day notice to the recipient or the first day of the new eligibility period if there is less than ten (10) days left in the current eligibility period.

If the day falls on a weekend or holiday, the next business day is considered the last day prior to action being taken or information provided.

Changes that increase the co-pay after recertification will follow the same logic as at application. It can be reduced, not increased. These changes still need to be reported to the worker.

Case notes are required to indicate any action taken to effect a change in eligibility, need for care, co-payments, or providers. Changes that increase benefits to the recipient, such as the addition of a child or changes that decrease a co-payment obligation, require verification. The DCC-102 We Need Information for CCAP (RFI) is used to request needed information from the recipient.

Reported changes require verification regardless of the impact of the case. A DCC-105 Child Care Denial/Discontinuance Notice is sent to the recipient and provider.

MS 4525 REQUIRED DOCUMENTATION (1)

Case notes are required to indicate any action taken to effect a change in eligibility, need for care, co-payments, or providers. Changes that increase benefits to the recipient, such as the addition of a child or changes that decrease a co-payment obligation, require verification. The DCC-102 We Need Information for CCAP (RFI) is used to request needed information from the recipient.

Reported changes require verification regardless of the impact of the case. A DCC-105 Child Care Denial/Discontinuance Notice is sent to the recipient and provider.

A temporary change will adversely impact a case after initial or recert approval, if the client is not compliant with work requirements by the end of the grace period.

An increase in income following an initial or recert approval will not adversely affect eligibility unless the income is above 85% SMI.

MS 4530 REQUIRED ACTIONS ON RECERTIFICATION (1)

At recertification all eligibility factors are reviewed and updated as needed. Any changes in the recipient's situation are verified and considered.

All sources and amounts of income and deductions must be verified at recertification.

Forms required to be completed and signed at recertification are:

1. DCC-90, Application for Subsidized Child Care Assistance.

2. DCC-94, Child Care Service Agreement & Certificate – signed by both provider and client unless case is approved through DCBS. If case is DCBS approval only provider must sign form.

3. DCBS-1, Informed Consent and Release of Information and Records – This allows for release of information and gives consent to share information on behalf of the client and family members.

Cases approved by DCBS staff are assigned an eligibility period of twelve (12) months.

DCC-94F Provider Notification of Payment Termination is not to be sent if the provider termination of payment is a result of the recertification process as the provider would not receive a new DCC-94 with the new eligibility period.

NOTE: A three (3) calendar month grace period from the end date of services is required for discontinuance unless the discontinuance is due to exceeding 85% of the SMI.

MS 5000 WAIVING OF CO-PAYMENTS (1)

Co-payments are determined by the amount of countable income in the household, household size, and number of children needing care.

DCBS Protection and Permanency workers/supervisors are the only DCBS staff that can authorize waiver of the co-payment.

Family co-payments may be waived, for protection cases only, by the protection and permanency worker with the approval of the Family Services Office Supervisor (FSOS) or designee. If the co-payment is waived this shall be indicated on the DCC-85 Approval for Child Care Assistance, with the specific justification reason for waiver indicated in the justification section of the form.

When the DCC-85 indicates that the co-payment has been waived, DCBS staff shows the co-payment as waived in Worker Portal case comments.

MS 5005 COURT ORDERS (1)

If a court orders a parent to pay a portion of the child's child care expenses, that co-payment amount shall be made in lieu of the family co-payment. The amount of the court ordered co-payment shall be indicated on the DCC-85 Approval for Child Care Assistance.

MS 5010 CO-PAYMENT OVERRIDE (1)

Co-pay overrides should only be completed to accommodate a court-ordered co-pay amount.

MS 5015 CO-PAYMENT CHART (1)

Family Co-Payment Per Day								
Income Range Monthly		Family Size 2 Family Co-Pay With 1 Child	Family Size 3 Family Co-Pay		Family Size 4 Family Co-Pay		Family Size 5 or More Family Co-Pay	
			With 1 Child	With 2 or more	With 1 Child	With 2 or more	With 1 Child	With 2 or more
0	899.99	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00	$0.00
900	999.99	$2.00	$2.00	$3.00	$2.00	$2.00	$2.00	$2.00
1,000	1,099.99	$3.00	$3.00	$3.00	$2.00	$3.00	$2.00	$3.00
1,100	1,199.99	$4.00	$4.00	$4.00	$3.00	$3.00	$2.00	$3.00
1,200	1,299.99	$4.00	$4.00	$5.00	$4.00	$4.00	$3.00	$3.00
1,300	1,399.99	$5.00	$5.00	$5.00	$5.00	$5.00	$3.00	$4.00
1,400	1,499.99	$6.00	$5.00	$6.00	$5.00	$6.00	$4.00	$4.00
1,500	1,599.99	$7.00	$6.00	$6.00	$6.00	$6.00	$5.00	$5.00
1,600	1,699.99	$8.00	$6.00	$7.00	$6.00	$7.00	$6.00	$6.00
1,700	1,799.99	$9.00	$7.00	$8.00	$7.00	$8.00	$6.00	$7.00
1,800	1,899.99	$10.00	$8.00	$9.00	$7.00	$8.00	$7.00	$8.00
1,900	1,999.99	$10.00	$9.00	$10.00	$8.00	$9.00	$8.00	$9.00
2,000	2,099.99	$11.00	$10.00	$11.00	$8.00	$9.00	$8.00	$9.00
2,100	2,199.99	$12.00	$10.00	$11.00	$9.00	$10.00	$9.00	$10.00
2,200	2,299.99	$12.00	$11.00	$12.00	$10.00	$11.00	$9.00	$10.00
2,300	2,399.99	$12.00	$12.00	$13.00	$11.00	$12.00	$9.00	$10.00
2,400	2,499.99	$12.00	$12.00	$13.00	$12.00	$13.00	$10.00	$11.00
2,500	2,599.99	$12.00	$13.00	$14.00	$12.00	$13.00	$10.00	$11.00
2,600	2,699.99	$12.00	$13.00	$14.00	$13.00	$14.00	$12.00	$13.00
2,700	2,799.99	$12.00	$13.00	$14.00	$13.00	$14.00	$13.00	$14.00
2,800	2,899.99	$12.00	$13.00	$14.00	$14.00	$15.00	$14.00	$15.00
2,900	2,999.99	$12.00	$13.00	$14.00	$14.00	$15.00	$16.00	$17.00
3,000	3,099.99	$12.00	$13.00	$14.00	$15.00	$16.00	$18.00	$19.00
3,100	3,199.99	$12.00	$13.00	$14.00	$15.00	$16.00	$20.00	$21.00
3,200	3,299.99	$12.00	$13.00	$14.00	$15.00	$16.00	$20.00	$21.00
3,300	3,399.99	$12.00	$13.00	$14.00	$15.00	$16.00	$22.00	$23.00
3,400	3,499.99	$12.00	$13.00	$14.00	$15.00	$16.00	$22.00	$23.00
3,500	3,599.99	$12.00	$13.00	$14.00	$15.00	$16.00	$24.00	$25.00
3,600	3,699.99	$12.00	$13.00	$14.00	$15.00	$16.00	$25.00	$25.00

EFFECTIVE DATE: 07/01/10

NOTE: Maximum co-payment charged to a parent is $25.00

MS 5020 CO-PAYMENT INCREASES (1)

During the initial twelve (12) month eligibility period, a change in circumstances will not increase the co-payment. Co-payment can increase at recert, but after the recertification, it will follow the same logic as at application. It can be reduced, but not increased.

MS 5500 STATUTORY RIGHTS – Family Rights & Responsibilities (1)

All children receiving child care services in a licensed, certified, or registered provider setting have the right to be cared for in an environment free of any form of abuse and cared for by adults who meet health, safety, and developmental needs.

The parents, custodians, or guardians of children in care have the right to:

1. Have access to their children at all times in which the child is in care and access to the provider caring for their children during normal hours of provider operation and whenever the children are in the care of the provider.

2. Be provided with information about child care regulatory standards, if applicable; where to direct questions about regulatory standards; and how to file a complaint.

3. File a complaint against a child care provider without any retribution.

4. Obtain information from the Cabinet regarding any type of licensure denial, or revocation of an operator, and Cabinet reports that have found abuse or neglect by any child care provider or any employee of a child care provider. Identifying information regarding children and their families shall remain confidential.

5. Obtain information from the Cabinet regarding the inspections and plans of corrections of the day-care center, the family child-care home, or registered provider.

6. Review and discuss with the provider any state reports and deficiencies revealed by such reports.

7. Know about complaints, civil penalties and licensure compliance issues.

MS 5505 PARENT RIGHTS IN THE CHILD CARE ASSISTANCE PROGRAM (1)

Unless an alternative program such as Head Start, public state pre-school or kindergarten is available and accessible during the time the parent needs child care services, a parent is given the opportunity to choose a provider; once the parent is notified that child care assistance has been approved for their children.

A DCC-94.1 Child Care Approval Notice is sent on all approved applications. The DCC-90P CCAP Job Search Documentation is provided to all families who gain initial eligibility based on job search. The DCC-102 We Need Information for CCAP is provided to all families approved for child care assistance, who have not chosen a provider at the time of application, by DCBS staff. The parent is instructed to use the DCC-94.1 as proof of eligibility for child care assistance to access child care services. Families approved by DCBS/Protection & Permanency staff are provided a copy of the DCC-85 Approval for Child Care Assistance to access services.

Parents have ten (10) calendar days advance notice of proposed action if a change in the family's circumstances indicates the child care benefit will be discontinued. Notice is provided on the DCC-105 Child Care Denial/Discontinuance Notice. A DCC-105 will be sent ten (10) days prior to an action.

A temporary change will adversely impact a case after initial or recert approval, if the client is not compliant with work requirements by the end of the grace period.

An increase in income following an initial or recert approval will not adversely affect eligibility unless the income is above 85% SMI.

Parents have the right to informal resolution of a complaint or to file a service appeal if they are dissatisfied with any action or inaction taken in their child care case.

MS 5510 PARENT RESPONSIBILITIES (1)

In low income working family's cases, the parent/guardian must sign the DCC-94 Child Care Service Agreement and Certificate. If the parent/guardian fails to sign the DCC-94, the child care case is terminated.

Any family receiving child care assistance must cooperate with all Cabinet case reviews, including Quality Control (QC). Failure to cooperate with any review will cause the household to be disqualified from further participation in the program, until the household cooperates and provides all necessary information.

MS 5515 RESPONSIBILITY TO REPORT CHANGES (1)

Parents are required to report a change in circumstance to the Cabinet or the worker within ten (10) calendar days of the day the change is known.

A change in circumstance means a change that affects program eligibility or co-payment amounts. Failure to report changes may result in an overpayment and/or a referral for fraud investigation and possible court action.

Changes include a:

1. Start or end to employment;
2. Change in employers or obtaining additional employment;
3. Increase or decrease in the number of work hours;
4. Increase or decrease in the rate of pay;
5. Increase or decrease in family members;
6. Change in a self-employment activity;
7. Change in the scheduled hours care is needed;
8. Start or end to an educational activity;
9. Change in child care provider;
10. Change in address or residence;
11. Change in marital status.

A temporary change will adversely impact a case after initial or recert approval, if the client is not compliant with work requirements by the end of the grace period.

An increase in income following an initial or recert approval will not adversely affect eligibility unless the income is above 85% SMI.

NOTE*: All provider discontinuations must be dated eleven (11) or more days out, as it is required receive a notification ten (10) days before discontinuance. The only discontinuation that is effective immediately is a provider closure.*

The DCBS/Family Support staff is responsible for:

1. Processing the change;
2. Issuing a DCC-105 Child Care Denial/Discontinuance Notice confirming the reported change, household circumstances, and if benefits will change;

3. Providing all necessary provider documents and notices.

Failure on the part of the parent to provide requested information will result in the issuance of a DCC-105 and possible discontinuance of child care assistance.

NOTE: The administratively feasible date for discontinuations is ten (10) days before the end of the month.

MS 6000 PREVENTING IMPROPER PAYMENTS (1)

DCBS/Family Support staff is to take the following steps to prevent and deter improper payments:

1. Thoroughly question the client on all aspects of eligibility;

2. Verify statements by examining documents the applicant provides or by obtaining information from appropriate third party sources;

3. Clarify inconsistencies;

4. Make sure applications are signed, accurately dated, and maintained in the case file;

5. Verify information reported matches the Worker Portal; and

6. Inform applicant/recipient of the responsibility to provide correct and complete information, including reporting changes correctly and timely;

NOTE: All new employment must be verified three (3) months from hire date. Al questionable forms of verification must be matched against Wage File Data, Eligibility Advisor or tax records.

MS 6005 IDENTIFYING AN IMPROPER PAYMENT (1)

Improper payments may be identified by:

1. “Hotline” referrals from the Office of Inspector General (OIG);

2. Case review;

3. Reported case changes;

4. Thorough interviews;

5. Other various sources.

An improper payment can result in:

1. An overpayment, where a claim is established for the purpose of collecting erroneous benefits; or

2. A neutral effect with no error in payment.

Upon discovery of an improper payment, immediately correct the case to ensure accurate ongoing benefits are issued.

MS 6010 OVERPAYMENT (1)

A claim is established to collect the amount that was overpaid.
DCBS/Family Support staff is responsible for the following actions related to a claim for a recipient:

1. Identify, verify and compute;

2. Contact the household to determine the reason for the claim to explain how the claim will be calculated, and to explain the recipient rights;

3. Set up and maintain claims files;

4. Screen claims for suspected fraud;

5. Request and participate in Administrative Disqualification Hearings;

6. Respond to fraud hotline requests generated by OIG;

7. Accept non-cash payments and issue receipts for payments brought to the local office for established claims; (This is done by the Family Support Claims Management Section.)

8. Refer all questions relating to tax intercepts to the Revenue Collections (502) 564-6690;

9. Forward bankruptcy information to Division of Family Support.

DCBS/Family Support staff is responsible for the following actions related to a claim:

1. Pursue collection of all claims;

2. Review all OIG referrals to determine if evidence exist to pursue as IPV;

3. Review recommended and final orders related to claims;

4. Prepare and route exceptions to recommended orders related to claims;

5. Enter payment agreements with recipient into Worker Portal;

6. Negotiate payment agreements with recipient;

7. Suspend or terminate collection efforts on claims;

8. Adjust balances on Worker Portal;

9. Determine if claim meets criteria for hardship or compromise.

MS 6015 FRAUD “HOTLINE” REFERRAL (1)

OIG maintains a toll free hotline, 1-800-372-2970 to report suspected fraud.

OIG screens complaints and sends valid hotline referrals to the DCBS/Family Support Regional Claims Specialists. All valid complaints are sent to DCBS/ Family Support Central office staff. Once the DCBS/Family Support staff receives the referral, the following is completed:

1. Review the case to determine if incorrect benefits were issued. Verify any necessary information and secure substantiating documentation.

2. Make any required changes in the case to reflect the new information.

3. If more information is needed, use the DCC-90F Notice of Appointment/Request for Information, to make an appointment with the client to discuss the hotline referral. If the client does not keep the appointment or return requested information, term the case for non-cooperation.

4. If there appears to be a possible claim complete appropriate claim forms.

5. Notify DCBS/Family Support staff whether action is taken or not on the case and why, within timeframes listed on the report.

MS 6020 DETERMINING THE START DATE AND AMOUNT OF THE CLAIM (1)

The DCBS/Family Support staff shall calculate the amount of an overpayment for an:

1. Agency error (AE) back to the month that the error first occurred, but not more than twelve (12) months prior to the discovery date;

2. Inadvertent error (IE) back to the month that the misunderstanding or error first occurred, but not more than three (3) years prior to the discovery date;

3. Intentional Program Violation (IPV) back to the month the fraudulent act first occurred, but not more than five (5) years prior to the date of discovery.

In calculating the claim amount the DCBS/Family Support staff must first calculate the first day of the claim, use the 10-10-10 policy unless it is an application or recertification month and the change is known to the client at the time of the interview. The 10-10-10 rule is as follows: The applicant/recipient has ten (10) calendar days to report a change from the time that the change becomes known, the worker has ten (10) calendar days to act on the change and there is a ten (10) calendar day adverse action period.

The first day of the claim is determined by when the change is known. The beginning day of the claim is the day after the adverse action ends.

Example 1: Kathy Jo failed to report a change in unearned income. She knew the change on 10/2/14. Allow ten (10) days for her to report (10/12/14), ten (10) days for the agency to act on the change (10/22/14), and ten (10) days adverse action (11/1/14). Since the adverse action ends 11/1/14, the first day of the claim would be 11/2/14. (11/1/14 would not be part of the claim as it is within the ten (10) day adverse action period).

Example 2: In December 2014 the worker learned that Amanda started a new job on July 2, 2014. Amanda was in the office on July 12 and did not report the job at the time of the interview. The first day of the claim would be July 12, 2014. The claim amount is calculated based on the date of the occurrence and must include all service months with errors.

Example 3: (CCIE)-Jenna applies for benefits on 11/01/14 and is approved 11/6/14. On 12/2/14 Jenna starts a job that exceeds the income limits. Jenna is given until 12/12/14 to report the change, the worker is given until 12/22/14 to complete the change and ten (10) days are allowed for adverse action, 01/01/15. The overpayment would start on 01/02/15.

The 10-10-10 rule does not apply if a client does not report a known change at the time of application or recertification. The overpayment begins with the date of the application or recertification.

MS 6025 CATEGORIES OF CLAIMS (1)

Claims fall into one (1) of three (3) categories:

Agency Error (AE) – occurs when the claim is caused by DCBS/Family Support staff action or inaction on a case.

This includes claims caused by:

1. Failure to take prompt action on a reported change;

2. Incorrectly computed income and deductions; or

3. Policies, rules or statues that were not applied correctly by DCBS/Family Support staff (clients).

AE claims are categorized as Child Care Agency Error (CAE) for recipients.

Inadvertent Error (IE) – occurs when the claim is caused by a misunderstanding or an unintended error by the recipient.

This includes claims caused by:

1. Failure to provide correct or complete information or report a change with no ill intent;

2. Receipt of benefits pending the outcome of a hearing that rules against the recipient;

IE claims are categorized as Child Care Non Court (CNC) for recipients.

Intentional Program Violation (IPV) - occurs when the claim is established by admission, hearing, or a court of law.

This includes claims caused by:

1. Misrepresentation of information by making a false statement either orally or in writing to obtain or attempt to obtain services for which they are not eligible;

2. Concealment of information to obtain services to which they are not eligible;

3. Deliberately withheld information needed to accurately determine eligibility;

4. Deliberate failure to report a change timely in order to continue to receive services to which they are not entitled;

5. Falsification or alteration of documents to obtain services to which they are not entitled.

IPV claims are categorized as Child Care Court (CCC) or Child Care Fraud (CCF) for recipient claims.

MS 6030 CRITERIA FOR PURSING AN IPV CLAIM (1)

The burden of proof to establish an IPV is on the agency. Evidence used to demonstrate this must support the accusation of IPV and prove intent to commit child care fraud.

Evidence includes, but is not limited to:

1. A signed child care application used to determine eligibility for the claim period. IPV cannot be pursued if a signed application is not available. The claim category is inadvertent error or agency error, depending on the case circumstances;

2. Computer printouts

3. Form PAFS-700 Verification of Employment and Wages;

4. Form PAFS-76 Information Request;

MS 6035 CLAIMS PROCESS (1)

Once a potential claim has been identified, secure all verifications to complete the calculation of the overpayment. If the claim is over $5,000 recipients and fraud is suspected, the case is referred to OIG and no further action is taken by the DCBS/Family Support staff.

Complete the following if the potential claim is AE or IE:

1. Send Claims Appointment Notice to the recipient to set up an appointment, to discuss the potential claim. The appointment is to occur no later than thirty (30) days from the date the claim is discovered. The interview is scheduled at a time that is convenient for both the DCBS/Family Support staff and the client. The interview can be a phone interview. The interview shall consist of presenting the evidence, explaining how the claim will be calculated and explaining the client rights. During the interview, the client is given an opportunity to dispute the existence, amount, or the category of the claim.

2. Give the recipient the opportunity to complete forms DCC-99C and DCC-98. These forms are voluntary and are completed by the recipient without coercion from the DCBS/Family Support staff. All of the above forms and documentation become part of the claims record.

3. DCBS Staff complete forms OIG Fraud Referral and DCC-99B.

4. The child care case record is marked with a red X and “Claim Do Not Purge” written on the folder to assure no relevant material is removed from the case.

Complete the following if the potential claim is fraud (IPV) and under $5,000 recipient;

1. Send forms Claims Appointment Notice, DCC-84, Notice of Suspected Intentional Program Violation, and DCC-84, Supplement A Voluntary Waiver of Administrative Disqualification Hearing, to the recipient to set up an appointment, to discuss the potential claim. The appointment is to occur no later than thirty (30) days from the date the claim is discovered. The interview is scheduled at a time that is convenient for both the DCBS/Family Support staff and the recipient. The interview can be a phone interview. The interview shall consist of presenting the evidence, explaining how the claim will be calculated and explaining the recipient rights. During the interview, the recipient is given an opportunity to dispute the existence or the category of the claim.

2. Give the recipient the opportunity to complete form DCC-99C. This form is voluntary and is completed by the client without coercion from the

DCBS/Family Support staff. All of the above forms and documentation become part of the claims record.

3. If the recipient fails to show for the appointment and does not reschedule within ten (10) days, does not sign the DCC-84 Supplement A, or request a disqualification hearing, the DCBS staff completes form DCC-80 Request for an Administrative Disqualification Hearing.

4. The child care case record is marked with a red X and "Claim Do Not Purge" written on the folder to assure no relevant material is removed from the case.

If the DCBS/Family Support staff determines that there is no claim after the interview, the case record is documented as to the reason for the determination. No further claims activity is needed on the case.

Complete the following if the potential claim is fraud (IPV) and over $5,000 recipient:

1. The OIG Fraud Referral form and DCC-99B are completed per procedural instructions:

2. A copy of the case record pertaining to the claim period, including application and all forms and documentation, used to calculate the claim are sent with the OIG Fraud Referral form and 99B. Send only copies, maintaining all originals to the DCBS/Family Support central office.

3. Mark the child care case record with a red X and "Claim DO NOT PURGE" written on the folder to assure no relevant material is removed from the case.

4. Once the case has been forwarded to OIG for investigation and possible prosecution, do not discuss the claim with the recipient. If the recipient has questions relating to the investigation, refer the client to the OIG office at 502-564-2815.

5. If the OIG office contacts the DCBS/Family Support staff for further information, the DCBS/Family Support staff must cooperate with the OIG investigator. If the case is referred to court, the DCBS/Family Support staff is to appear in court, if subpoenaed, to discuss how the calculations were computed and to provide any available documentation to substantiate the circumstances of the claim.

If OIG returns the case for Administrative Action, a copy of form DCC-99A will be returned to DCBS/Family Support staff.

MS 6040 ADMINISTRATIVE DISQUALIFICATION HEARINGS (1)

An Administrative Disqualification Hearing is conducted by the Hearings Branch to determine if an IPV has occurred. The format of the hearing is similar to that of a fair hearing, except the burden of proof is on the Agency.

Refer a case for a disqualification hearing if there is sufficient evidence to substantiate a claim of IPV and one or more of the following situations apply:

1. The claim does not meet criteria for referral to OIG, claim amount is under $5,000 recipient;

2. OIG or the prosecuting attorney declines to present case in court;

3. The recipient does not sign form DCC-84, Supplement A Voluntary Waiver of Administrative Disqualification Hearing.

Form DCC-80 Request for an Administrative Disqualification Hearing is completed, a copy of the form is put in the claims folder, and a copy is sent to the recipient. Send the original DCC-80 along with a copy of the DCC-84 Notice of Suspended Intentional Program Violation, obtained from the case record, by any of the following methods:

Mail to:

Cabinet for Health and Family Services
Division of Administrative Hearings
Families and Children Administrative Hearings Branch
105 Sea Hero Rd, Suite 2
Frankfort, KY 40601

Only evidence listed on the DCC-80 can be introduced at the hearing.

The Hearings Branch schedules the hearing and provides written notice to the Household at least thirty (30) days in advance of the hearing date. The notice, advising of the date and time, is sent by certified mail to the household with a copy to the DCBS/Family Support staff.

A requested hearing may be withdrawn and the Hearing Branch contacted at 502-564-3140 to cancel the hearing when:

1. Information becomes available that indicates an IPV did not occur. Contact the recipient when this occurs.

2. The recipient signs form DCC-84, Supplement A.

After the hearing is conducted, the Hearings Branch issues a recommended order; no action is taken on the case until the final order is received. DCBS/Family Support staff will file all exceptions to a recommended order.

The DCBS Commissioner signs the final order and copies are sent to the recipient, DCBS/Family Support staff (client). File a copy of the final order and the recommended order in the case record and claims case folder. If the final order determines an IPV did not occur, recalculate the claim amount based on IE claim guidelines.

MS 6045 DEFERRED ADJUDICATION OF IPV CLAIMS (1)

After the child care claim has been investigated and substantiated by OIG, an agreement not to prosecute may be reached between the court and the recipient/provider. This agreement is called deferred adjudication.

If adjudication is deferred the following must occur:

1. The recipient/provider is provided an opportunity by the court to sign form DCC-83, Deferred Adjudication Disqualification Consent Agreement. By signing form DCC-83, the recipient/provider does not admit guilt. The individual only consents to imposition of the appropriate disqualification period and repayment of the claim.
2. Form DCC-83 must be signed by the recipient/provider and the prosecuting attorney. The recipient/provider is under no obligation to sign such an agreement.
3. A notice will be sent to the recipient/provider detailing the claim.

MS 6050 IPV DISQUALIFICATION PENALTIES (1)

DCBS/Family Support staff will enter an IPV disqualification into the worker portal within three (3) work days of notification that a recipient has committed an IPV. Notification is a signed DCC-84 Supplement A Voluntary Waiver of Administrative Disqualification Hearing or DCC-83 Deferred Adjudication Disqualification Consent Agreement, a final hearing order, or notice of a court decision or agreement that finds the recipient guilty. When a recipient is determined to have committed an IPV, a disqualification is imposed. At this time a DCC-82 Notice of Disqualification is sent to the recipient.

A disqualification penalty shall adhere to the following guidelines:

1. Twelve (12) months for the first occurrence;

2. Twenty-four (24) months for the second occurrence; and

3. Permanently for the third occurrence; or

4. The length of penalty assigned by the court.

If the recipient is currently receiving under a DCBS approval the disqualification will be entered and count as an occurrence; however the client's case will not be affected. If at any time during the disqualification period the DCBS approved recipient changes eligibility to CCIE, the recipient will have to serve the disqualification.

Once a disqualification period begins, it continues uninterrupted for the entire number of months regardless. The disqualification period does not start and stop depending on the client's eligibility.

If a claim involves months before and after 07/01/16 the claim may need to be split as the benefits issued after 07/01/16 could be an IPV.

> Example of a claim that could be split: Hope applies for child care assistance on 07/03/15 and fails to report Glen, her husband, in the home. At her recertification appointment on 07/02/16 Glen is still in the home and Hope does not report this information again. Worker receives an anonymous tip on 01/02/16 that Glen is in the home and case is sent for claim. Part of this claim may be an IPV.

MS 6055 REPORTING SUSPECTED EMPLOYEE FRAUD (1)

Fraudulent activity by an employee occurs when a person responsible for administering an assistance program knowingly obtains benefits or assists an individual in order to obtain benefits, or receive increased benefits, for which the individual is not eligible. The employee committing the fraud is subject to prosecution.

All instances of suspected employee fraud must be reported immediately to the DCBS/Family Support staff.

MS 6060 CLAIMS REPAYMENTS (1)

Claims may be repaid using one of the following methods:

1. Lump Sum;
2. Monthly repayment agreement;
3. State tax offset.

If a recipient is delinquent ninety (90) calendar days or more on making payments, the claim will appear on a report. Notice is sent to the recipient giving them ten (10) days to make a payment or ongoing child care services are discontinued. The payment needs to be two (2) months of the repayment amount. If there is not a repayment agreement, a payment of $50 is required.

The recipient will not be eligible for services until a payment is received. If an applicant whose case was previously discontinued for non-payment of claim wishes to apply, without making a payment, the application must be taken. The application is pended for the thirty (30) days or until a payment is made. Inform the client that the application will deny in thirty (30) days if a payment is not made. If the applicant makes a payment, the child care start date is the same day the payment was made.

> Example: Whitney's case discontinued on 1/3/17 for non-payment of claim. She comes into the local office on 4/2/17 to apply and has all the verification needed to approve the case. The application is taken and pended. Whitney brings a claim payment to her worker on 4/15/17. The case is approved on 4/15/17 and the enrollment start date for care is 4/15/17.

Once a claim is delinquent in payment for ninety (90) calendar days, the claim is automatically sent to the Kentucky Revenue Service for tax offset.

Send all payments received from the recipient to the Claims Management Section at 275 E. Main 3E-I, Frankfort, KY 40601 who will post the payment to the claim. DCBS offices are not required to accept claims payments.

MS 6065 CLAIMS RECORDS (1)

Claims information is maintained in a separate folder from the regular child care case folder. Once a claim has been identified, the child care case folder should be marked with a red X and "Claim Do Not Purge", written on the folder.

The recipient claims folder should consist of:

1. Verification of Income and Work Schedule, if applicable;

2. Copy of recipient's signed DCC-90 Subsidized Child Care Assistance Application Summary;

3. Signed DCC-94 Child Care Service Agreement and Certificate;

4. Claim Referral form or DCC-99A OIG Fraud Referral form;

5. DCC-99B Claims Calculation Worksheet;

6. DCC-99C Client Provider Sheet, if applicable;

7. Any other documentation verifying overpayment, including but not limited to, the investigation by OIG, court order, and a signed final order from a hearing.

8. Copies of receipts for payments received by DCBS/Family Support staff.

AE and IE claims case folders are retained for three years once the claim is paid in full, unless the claims is part of an audit. If part of an audit, retain the claims case folder until the audit is complete.

IPV claims case folders are retained indefinitely.

MS 6070 CLAIMS APPEALS (1)

If a recipient/provider disagrees with the claim, they may request a hearing.

All completed claims forms are to be sent to CCAP CO, so claim collections may be suspended if appeal is within thirty (30) day timeframe of the establishment of the claim. If appeal is timely, but meets good cause criteria by Quality Assurance for a hearing, collections will be suspended once CCAP CO receives notification.

DCC-94E Child Care Daily Attendance Record will not be accepted after requested deadline. Other attendance records, such as room attendance and van attendance, are not acceptable.

MS 6075 LEGAL COUNSEL (1)

Any hearing where a client has legal representation, the hearings worker must request legal assistance from DCBS/Family Support staff. DCBS/Family Support staff will request assistance and someone will be assigned to assist in these cases.

MS 6500 ADMINISTRATIVE HEARINGS (1)

An administrative hearing is a formal process by which any applicant, recipient, or provider may appeal an action or inaction taken by the agency with which they do not agree. Information regarding hearing rights is included on various agency forms mailed or given to the applicant/recipient or provider. Hearings will be held before an impartial hearing officer.

The Hearings Branch may conduct the hearings via special telephone equipment. During a telephonic hearing, the hearing office is at one (1) location and the agency representative and the appellant are at a different location.

If the hearing is going to be conducted by phone, the appellant is notified by the Hearings Branch. The appellant may either bring evidence to be submitted for consideration at the hearing to the local office, where the evidence will be copied and sent to the Hearings Branch or mail copies directly to the hearing officer. The appellant may also bring evidence to the hearing and request that the hearing officer consider this information in the determination.

If the appellant objects to a telephonic hearing, a face to face hearing is scheduled by contacting either the Hearings Branch or the local office in writing, prior to the scheduled hearing date.

The hearing process consists of:

1. The request;
2. Preparation for and scheduling of the hearing;
3. The hearing itself;
4. Review of the recommended order; and
5. The final order

MS 6505 HEARING REQUEST (1)

A hearing request is a clear oral or written indication by the appellant or their representative that they wish to have an action or decision of the Agency reviewed.

1. Requests for a hearing, whether written or oral, are forwarded by form PAFS-78 Request for Hearing Appeal or Withdrawal which is completed by or for the appellant according to procedural instructions.

2. If the request is received by phone or through the mail, indicate this on the signature line of form PAFS-78. It is not necessary for the appellant to sign form PAFS-78 if the request is received by phone or mail.

3. When completing form PAFS-78, be specific as to the appellant's reason for the hearing request. Use statements like: "The appellant does not agree with the amount of earnings counted in her case". Do NOT write "appellant request", "appellant disagrees with denial", etc.

4. A request for a DCBS hearing may be submitted by the appellant or their representative directly to the Administrative Hearings Branch.

5. The appellant may voluntarily withdraw the hearing request at any time prior to the hearing. If the appellant wishes to withdraw the request, a written notice to withdraw the hearing must be sent to the CCAP section.

In addition to the right to request a hearing appellants are to be notified that they have the right to:

1. Present the case themselves;

2. Have the case presented by legal counsel or another representative;

3. Review the case record relating to the issue;

4. Bring witnesses to support their case in the hearing;

5. Present arguments without interruption;

6. Question any testimony or evidence;

7. Cross-examine witnesses;

8. Submit evidence establishing pertinent facts and circumstances in the case; and

9. Continue benefits or payments if the appeal is requested within ten (10) days of the date of the adverse action. This ten (10) days would be the date the action is effective not the date on the DCC-105 Child Care Denial/Discontinuance Notice.

Note: Appellants are to be notified of the availability of free legal services.

Explain to the appellant that the Department does not provide payment for legal counsel but, if available, will refer them to a legal aid agency.

If requested by the household or its representative, the agency provides a free copy of the relevant portions of the case file, including the application form and documents of verification used by the agency to establish the household's ineligibility or eligibility and benefit. The agency provides the appellant or their representative adequate opportunity to examine all documents and records to be used at the hearing.

Provide all information to the appellant before the date of the hearing in a reasonable time as well as during the hearing.

Confidential information, such as names of individuals who have disclosed information about the household without its knowledge or the nature or status of pending criminal prosecutions, is protected from release. Confidential information protected from release and other documents or records which the appellant will not otherwise have an opportunity to contest or challenge may not be presented at the hearing, and do not affect the hearing officer's decision.

MS 6515 HEARING TIME FRAMES (1)

A hearing request is considered timely if received by the Cabinet within thirty (30) calendar days from the effective date of the adverse action, not the date the DCC-105 Child Care Denial/Discontinuance Notice is sent.

If the hearing request is untimely, forward the request and any information concerning the reason the request was untimely to the Quality Assurance Section. The hearing officer determines from the information provided whether the household had good cause for submitting an untimely request.

The Hearings Branch acknowledges all hearing requests, conducts a hearing, and issues a recommended order within forty-five (45) days of receipt of a timely request for a hearing. The Commissioner of the Department for Community Bases Services (DCBS) has forty-five (45) days from the receipt of the recommended order in which to issue the final decision.

MS 6520 PREPARATION FOR THE HEARING (1)

Mail the PAFS-78 Request for Hearing, Appeal or Withdrawal (within three (3) days of receipt) to:

The Quality Assurance Section
275 East Main Street, 1E-B
Frankfort, KY 40621

If the hearing issue involves a negative action, attach a copy of the negative action notice to form PAFS-78.

Do NOT send a copy of the case record or current packet to the Quality Assurance Section.

If the request is from an appellant who has limited English proficiency and requires interpreter services or has a physical or mental condition that requires accommodation in order to participate in the hearing, annotate the hearing request with this information.

After forwarding the hearing request to Quality Assurance Section:

1. Prepare for the hearing by reviewing the case record and writing a summary of the issue/action that prompted the request. If the hearing involves a claim issue, it may be necessary to contact the claims worker for additional information.

2. Attach the summary and form PAFS-78 to the case record and give a copy of the summary to the supervisor. Include in the summary all information, documentation, notices, forms, comments, etc., that support the action taken by the agency. Be clear and concise but include pertinent information with the explanation in case you are unable to attend the hearing and the supervisor or another worker must represent the agency's position. DO NOT include unprofessional language or comments in the summary.

Make copies of all administrative regulations that relate to the issue/action.

Any hearing with a provider will need to be coordinated with DCC. A DCC CCAP employee should attend all hearings involving a provider.

When an appellant has legal counsel/attorney, DCC will be notified and they will request legal representation for DCC employee. A DCC employee will also need to attend all hearings when appellant has legal counsel/attorney.

The parent of a child receiving child care subsidy cannot appeal the termination or denial of a specific child care provider.

When an appellant has legal counsel/attorney, DCC will be notified and they will request legal representation for DCC employee. A DCC employee will also need to attend all hearings when appellant has legal counsel/attorney.

The parent of a child receiving child care subsidy cannot appeal the termination or denial of a specific child care provider.

MS 6525 SCHEDULING THE HEARING (1)

The hearing request is acknowledged by the Hearings Branch. The Hearings Branch notifies the appellant that the request has been received and entered on the docket of pending requests. The acknowledgement letter also contains information regarding the hearing process, including:

1. The right to case record review prior to the hearing,

2. The right to representation, and

3. A statement to the effect that DCBS can provide information regarding the availability of free representation by legal aid or welfare rights organizations.

The Hearings Branch notifies the appellant of the date, time, and place the hearing will be held via form, "Notice of Hearing".

The form also advises the appellant of:

1. The right to bring an attorney and/or witnesses if desired.

2. The fact that if the appellant or a representative does not appear for the hearing, the appellant will have a period of ten (10) days to advise the Hearings Branch of the reason for not appearing. The Hearings Branch considers the reasons and determines if good cause exists. The request is considered abandoned and dismissed unless good cause for the absence can be shown.

3. All parties to the hearing are provided at least ten (10) days timely notice of the hearing to permit adequate preparation of the case.

The appellant may request and is entitled to a postponement without good cause if the request is made BEFORE the hearing. The postponement cannot exceed thirty (30) days and the time limit for action on the decision is extended for as many days as the hearing is postponed. The DCC CCAP staff is to notify the hearing officer of the postponement.

MS 6530 CONDUCT OF THE HEARING (1)

Hearings are conducted by a hearing officer with the Hearings Branch which operates independently and recommended orders are based only on information presented at the hearing.

Hearings are privately conducted at a place convenient to the appellant and:

1. Are orderly but informal;

2. Conducted without the use of strict technical rules of evidence and procedure;

3. Provides a method by which the appellant can speak freely regarding facts and circumstances of the situation, refute testimony and examine all papers and records introduced as evidence;

4. Provides the appellant the opportunity to submit additional evidence and to cross examine witnesses; and

5. Are concluded when the hearing officer is satisfied that sufficient evidence has been introduced to resolve the issue.

The hearing is attended by DCC CCAP staff and by the appellant, his/her representative or both. The hearing may also be attended by any individual the appellant wishes to attend. However, the hearing officer has the authority to limit the number of persons in attendance at the hearing if space limitations exist.

Agency representatives should dress and speak professionally when presenting the Agency's position to the hearing officer. Policies and procedures should be explained in terms that everyone in attendance can understand. If unsure of a response to a question, advise those present that the information is not available at the hearing but will be provided if necessary.

If conclusive evidence is not produced at the hearing, the hearing officer may continue the hearing. If continued the hearing process must still be completed within forty-five (45) calendar days of the initial hearing request and the appellant and DCC CCAP staff are notified ten (10) days in advance of the time and place of the continued hearing.

The appellant may request for the hearing officer to delay the recommended order for a reason beyond the control of the appellant. The decision to grant the delay and continue the hearing is made by the hearing officer.

MS 6535 RECOMMENDED ORDER (1)

After completion of the hearing, the hearing officer drafts a recommended order. The recommended order is not the final order; therefore, action is not taken on the case. The hearing officer:

1. Reviews all evidence and drafts a recommended order. A recommended order, summarizes the facts of the case, states the reason for the recommended order, identifies the supporting evidence and provides citations of the pertinent sections of state and federal policy and regulations.

2. Ensures that the recommended order complies with state and federal laws and regulations.

3. Mails a copy of the recommended order for review to the appellant or their representative (if present at the hearing), DCC CCAP staff.

The recommended order is reviewed by the appellant and/or their representative and DCC CCAP staff. The parties have fifteen (15) calendar days to review and file any exceptions and/or rebuttals. Exceptions or rebuttals filed after the 15th calendar day are disallowed.

If no exceptions or rebuttals to the recommended order are received within the fifteen (15) day period, the recommended order is reviewed to ensure that it is in accordance with regulations. A final order is drafted and then forwarded to the Commissioner of DCBS. The Commissioner reviews and signs the final order.

Exceptions by the Agency are filed by DCC CCAP staff.

DCC CCAP staff is to use the following procedures to file an exception;

1. Upon receipt of a recommended order, the DCC CCAP staff has five (5) work days to review and request an exception. An exception can only be based on the facts and evidence presented at the hearing. No new information or evidence may be used.

2. If an exception is filed timely by either party, the other party can file a rebuttal to the exception within the fifteen (15) day period. If the fifteen (15) days have elapsed, no rebuttal can be made.

3. The Commissioner’s office staff reviews all timely exceptions to the recommended order and drafts a final decision for submission to the Commissioner.

If no exceptions to a Recommended Order of Dismissal are submitted to the Office of the Commissioner the recommended order becomes the final order effective fifteen (15) days from the date of the recommended order.

MS 6540 FINAL ORDER (1)

The Commissioner of DCBS issues the final order for the hearing.

The final order accepts the recommended order, rejects or modifies the recommended order or returns the issue back to the hearing officer for further action before a final order is issued.
The Commissioner has forty-five (45) days to issue a final order from the date the Commissioner:

1. Receives the official record of the hearing in which a recommended order is not submitted; or

2. Receives the recommended order.

The Commissioner signs the final order and mails a copy of the final order to the following:

1. The recipient and representative (if present); and

2. DCC CCAP section

The final order becomes part of the record and approves or rejects the recommended order.

A final order is followed until the next time the household's eligibility is re-determined.

MS 6545 FOLLOW-UP TO A FINAL ORDER (1)

Upon receiving the final order signed by the Commissioner and DCC CCAP staffs are to review the final order along with the recommended order for any reference to future action in the case.

Complete the following actions as required by the final order:

1. For reversals of denials or discontinuances of cases, take case action to approve or reapprove the case.

2. For reversals involving a reduction of benefits, take action within ten (10) days to restore benefits to the date of the action which resulted in the hearing

3. For final orders which result in an increase in the household's ongoing benefits take action within ten (10) days of the receipt of the final order. Determine if the appellant has an existing claim. If so, offset benefits, if appropriate.

4. For final orders which the Agency is affirmed and the benefits were continued during the hearing process, take action to correct the case and the amount of benefits. If appropriate, initiate a claim and collection amount of benefits. If appropriate, initiate a claim and collection action against the appellant for any overpayment caused by a continuation of benefits pending the hearing.

The hearing officer's responsibility ends with the issuance of the final order.

Enter a brief statement of action, including date of final order on the Worker Portal "Comments" screen.