



NC DEPARTMENT OF
**HEALTH AND
HUMAN SERVICES**
Division of Child Development and Early
Education

ROY COOPER • Governor
MANDY COHEN, MD, MPH • Secretary
DR. KRISTI SNUGGS • Interim Director

SUBSIDIZED CHILD CARE ASSISTANCE ADMINISTRATIVE LETTER #02-19

TO: Directors of County Departments of Social Services
Directors of Other Local Purchasing Agencies

SUBJECT: Changes to Subsidized Child Care Assistance (SCCA) Program Policy

ATTENTION: Child Care Coordinators
Other DSS Personnel who work with the SCCA Program

ISSUE DATE: October 31, 2019

EFFECTIVE DATE: November 1, 2019

The purpose of this Administrative Letter is to communicate clarification to SCCA policy regarding:

- (1) Eligibility during Graduated Phase Out

Eligibility during Graduated Phase Out

1. General Information

A graduated 12-month phase out period occurs when, at redetermination, a family's gross countable monthly income exceeds Federal Poverty Levels (FPL) of 133% for school age children or 200% for preschool age children and children with special needs whose income meets the federal income threshold of 85% State Median Income (SMI).

At the time of the redetermination, the family's income shall be compared to 85% SMI. If income is less than 85% SMI but exceeds the appropriate FPL, the family will be given a graduated phase out period of 12 months during which child care subsidy services continue with an adjustment of the parental fee. The graduated phase out shall begin the day after the certification period ends. When the family's income exceeds 85% SMI at redetermination, a ten (10) work day notice will be issued to terminate services. If there are less than ten work days left in the certification period, the case will terminate at the end of the certification period.

Policy issued in February 2018 via Administrative Letter #01-18 addressed when a recipient's income decreases during the graduated phase out and the income is at or below the appropriate FPL. Previous policy instructed workers to complete a new application in these situations.

2. Policy

Effective November 1, 2019, when a recipient reports a decrease in income during the graduated phase out period and the reduced income is at or below the appropriate FPL, the worker must now process this as a change in circumstance in NC FAST and decrease the income. This will also decrease the parent fee which is appropriate. **A new application is no longer required in these situations.** The recipient shall continue

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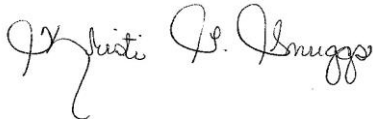
to receive subsidized child care services through the end of the 12-month certification period and shall be able to complete recertification at the end of the certification period.

3. Procedure

The worker will react to the reported decreased income as a change in circumstance and will **not** complete a new application. Subsidized child care services shall continue through the end of the 12-month certification period. NC FAST will recognize that the family is no longer in graduated phase out and a recertification packet will be mailed to the recipient at the end of the 12-month certification period.

If you have questions about the information in this letter, or other Subsidized Child Care Assistance Program questions, please contact dcdee.subsidy.policy.help@dhhs.nc.gov to reach technical assistance and policy consultation.

Sincerely,

A handwritten signature in black ink, appearing to read "Kristi L. Snuggs". The signature is written in a cursive style with a large initial "K".

Dr. Kristi L. Snuggs, Interim Director