

# Subsidized Child Care Assistance Program Policy Manual

## Chapter 7. Family Definition and Determining Income Eligibility

Revised 11/12/2025

If child support received is based on a new order, and no payments have been received yet, do not project. A new order with payment in the base period requires the child care worker to divide by last three months.

### 1. Lump Sum Child Support Payments

Lump sum child support payments shall be disregarded unless the recipient states they only receive child support income via lump sum payments. If a recipient reports receiving child support income only via lump sum payments, the child care worker will use a 12-month base period (prior to the month of application or recertification if representative), add the total child support payments received from the 12 months together and average (divide by 12). Document the case record to support the decision to document the case record to support the decision to use a 12-month average. The following are examples of child support lump sum payment types; however, this is not an exhaustive list.

- i. One-time, nonrecurring lump sum payments
- ii. Recurring lump sum payments
- iii. Tax intercepts, payments received as a result of tax refund intercept.

### 2. Child Support received for Minor Parent (s)

If major mother/father receives child support for his/her child who is a minor mother/father, the amount of child support that the major mother receives for the minor mother is only counted as income when determining the minor mother's eligibility for child care assistance.

If a minor parent applies for SCCA for his/her child and the minor's parent receives child support for the minor parent, the child support is not counted in the minor parents' case for the child.

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### 3. Terminated child support income

#### i. Child Support Order Terminates

If a recipient reports their child support order has terminated, the child care worker must verify the termination of the support order through the local Child Support Office or court documents provided by the recipient.

- a) If verified, child support income end-date will be the date the recipient reported the change.
- b) If the child care worker is unable to verify, client's statement is not acceptable for child support order termination. The child care worker cannot end-date child support income until verified.

#### ii. Non-Custodial Parent Stops Payments

- a) If a recipient reports a non-custodial parent stops making child support payments, but the child support order remains active, child care workers must use a 3-month base period to calculate countable income. Child care workers must verify the history of child support payments through OVS or the Local Child Support Office.
  - If the new average is higher than the current amount, the child support income must remain unchanged; if lower, the child support income must be adjusted to reflect the reduced amount. Refer to policy in Chapter 8, Section III. When Parent Fees are Assessed regarding a decrease in parent fees.
- b) If the child care worker is unable to verify stopped or reduced payments, client's statement is not acceptable for child support order non-payment. The child care worker

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cannot end date or reduce child support income until verified.

- c) In situations where child support payments are non-court ordered, and the recipient reports non-custodial parent has stopped child support payments, the child care worker must contact the non-custodial parent to verify the stopped child support payments.

**NOTE:** Client's statement can only be accepted in situations when the child support payments are non-court ordered, and the non-custodial parent does not cooperate with verification of stopped payments.

Child care workers must not backdate the change in a way that creates retroactive payment implications. Child care workers must enter the change using the date the recipient reported the change as the effective date for adjustment. The system will reflect accurate history for documentation purposes, but financial adjustments are only made going forward to avoid retroactive overpayments or underpayments.

For example: A parent contacts the caseworker on 9/12/2025 to request a reduction in parent fee because child support ended on 1/10/2025. If the worker end- dates the income using 1/10/2025, this would create a retroactive change with payment implications. Instead, the worker should document the termination date of 1/10/2025 in case notes but make the adjustment effective 9/12/2025, the date the change was reported. This ensures the record reflects accurate history while preventing retroactive financial adjustments.

**NOTE:** Recipients are responsible for reporting any changes in child support payments. Child care workers must review both the mandatory and optional reporting requirements with recipients to