



Child Development
and Early Education
HEALTH AND HUMAN SERVICES

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Governor

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Director

SUBSIDIZED CHILD CARE ASSISTANCE ADMINISTRATIVE LETTER #08-16

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

SUBJECT: Changes to Subsidized Child Care Assistance Program Policy

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

ISSUE DATE: November 4, 2016

EFFECTIVE DATE: Upon Receipt

The purpose of this Administrative Letter is to communicate changes to the Subsidized Child Care Assistance Program policy regarding:

- (1) Continued Eligibility
- (2) Reporting Changes

Continued Eligibility:

1. General Information:

To align with provisions in the Child Care and Development Fund Act of 2014 and in accordance with Rule 10A NCAC 10 .1007, "Recipients who are employed or in school and whose income is at or below the federal income limit of 85 percent of State Median Income shall not have these activities disrupted during the 12 month eligibility period."

2. Policies:

New policy requires that once determined eligible, recipients must receive 12 months of continued eligibility unless a change occurs that impacts eligibility. Income during the 12 month eligibility period shall only be compared to 85% of State Median Income (SMI).

Change in income reported during the eligibility period shall be compared to the 85% SMI. If income reported exceeds the State's limits of 133% (school-age) or 200% (birth-5yrs) of the



Federal Poverty Level (FPL) but is at or below 85% of the SMI, **the client's eligibility must not change and shall continue through the end of the certification period.** The child care worker must re-evaluate and follow current policy regarding parent fee and level of care.

Income must be re-evaluated at redetermination. If the income still exceeds 133% or 200% of the FPL and is at or below 85% of the SMI, the recipient shall receive a Graduated Phase Out of 90 calendar days.

3. Procedures:

Income reported during the 12 month eligibility period shall only be compared to 85% of the SMI. If reported income exceeds 85% of the SMI, the child care worker will terminate services according to current policy.

Reporting Changes:

1. General Information:

In accordance with Chapter 11, II. "Regular contact with the recipient or representative helps to assure effective case management while ensuring that the record is up-to-date and reinforces the responsibility of the recipient to report changes which may impact eligibility."

2. Policies:

New policy requires that during the eligibility period, any changes that occur that may impact the recipient's eligibility are required to be reported. The following items are required to be reported by recipients during the twelve month eligibility period to verify continued need or eligibility.

- (1) Change of address and telephone number.
- (2) Change in members of the household.
- (3) Child receiving child care services moves out of the home.
- (4) Increase or decrease in income from job, child support, or other sources.
- (5) Loss of current employment.
- (6) Change in the number of hours child care is needed.
- (7) Household assets or resources exceed \$1 million dollars.

3. Procedures:

Current procedures remain in effect.

Note: DCDEE-0106 Recipient Responsibilities for Subsidized Child Care Assistance is attached to this Administrative Letter.



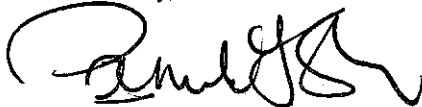
DCDEE-0106 Recipient Responsibilities for Subsidized Child Care Assistance

This form has been revised to address the changes in recipient reporting requirements. The following items are required to be reported by recipients:

- (1) Change of address and telephone number.
- (2) Change in members of the household.
- (3) Child receiving child care services moves out of the home.
- (4) Increase or decrease in income from job, child support, or other sources.
- (5) Loss of current employment.
- (6) Change in the number of hours child care is needed.
- (7) Household assets or resources exceed \$1 million dollars.

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,



Pamela L. Shue, Ed. D
PS/LD
Attachment



RECIPIENT RESPONSIBILITIES FOR SUBSIDIZED CHILD CARE ASSISTANCE

As a recipient of Subsidized Child Care Assistance, I understand that I am responsible for taking the following actions:

1. Report Changes

I am required to report the following to my child care worker **within five (5) workdays** of when changes occur:

- Change of address and telephone number.
- Change in members of my household.
- Child receiving child care services moves out of the home.
- Increase or decrease in income from job, child support, or other sources.
- Loss of current employment.
- Change in the number of hours child care is needed.
- Household assets or resources exceed \$1 million dollars.

2. Attendance

I must call my child care worker when my child(ren) is/are absent from the child care arrangement more than five (5) days during a month or if my child will no longer be enrolled at the center or home.

I will be required to validate my child's attendance on a monthly basis with my provider. Failure to validate my child's attendance may result in termination of my Subsidized Child Care Assistance.

3. Pay Fees

I must pay the parental fees determined by my child care worker to my child's provider. Failure to pay these fees regularly and on time can result in termination of child care services. I understand that I will not be eligible for child care services until the parental fees are paid. Also, I should request a receipt from the provider each time I pay my child care fees.

4. Maintain Contact

I must respond to all contact from the county DSS or local purchasing agency (LPA) regarding my continued eligibility within the requested time frame. I understand that failure to respond may result in the termination of services. If my child care assistance is terminated and I continue to need help paying for child care, I must reapply or request that my name be added to the child care waiting list if one exists.

5. Provide Permission to Verify Information

I must provide the required information to my child care worker so that eligibility for subsidy assistance can be determined. If written information is not available, signing this form gives permission to the worker to verify income by telephone or through other documents on file in the county department of social services (DSS) or other agencies.

Fraudulent Misrepresentation

Fraudulent misrepresentation constitutes an intentional program violation of the Subsidized Child Care Assistance Program (SCCAP) and can result in a criminal conviction and loss of services or payments as described in this section.

The recipient is defined as the parent(s) or responsible adult(s) approved for SCC Assistance. When a sanction is imposed on the recipient, it applies to the person who applied for services. In two-parent households, it applies to both parents. The person who applied for services is accountable for any fraudulent act and/or payback for overpayment.

- 1) If I make a false statement of representation regarding a material fact with the intent to deceive, or fail to disclose a material fact, and as a result obtain, attempt to obtain, or continue to receive child care subsidy assistance, then I may be found guilty of fraudulent misrepresentation per North Carolina General Statute 110-107.
- 2) At any time that an incident of fraudulent misrepresentation that has an amount of \$10,000 or more, I will be permanently ineligible for Subsidized Child Care Services statewide.

- a) If I have a first incidence of fraudulent misrepresentation, I will be ineligible to receive Subsidized Child Care Assistance in any county until I either repay the overpayment in full, or make a request for and enter into a repayment agreement with the LPA.
- b) If I have a second incident of fraudulent misrepresentation, I will be ineligible to receive Subsidized Child Care Assistance for three (3) months in any county. I will be required to repay the overpayment in full, or make a request for and enter into a repayment agreement with the LPA.
- c) If I have a third incident of fraudulent misrepresentation, I will be ineligible to receive Subsidized Child Care Assistance permanently in any county and be required to repay the overpayment in full or make a request and enter into a repayment plan with the LPA.

I understand that my children are authorized for a specific level of care based on the documented hours of need that I gave to my child care worker. The level of care defines a maximum number of hours my child is authorized for subsidized child care assistance. It is my responsibility to arrange the specific schedule with my child care provider and to be sure my child(ren) do not use more hours of care than I am allowed. I understand I will be responsible for any payments for extra hours of care or any other child care assistance that I am not eligible to receive.

I declare that my child care worker has fully explained my responsibilities as a recipient of the Subsidized Child Care Assistance Program. Also, that I understand and agree to the requirements on this document and have been given a copy

Parent/Responsible Adult

Date

Representative of Local Purchasing Agency (LPA)

Date