

DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION OF CHILD DEVELOPMENT AND EARLY EDUCATION

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SUBSIDIZED CHILD CARE ASSISTANCE ADMINISTRATIVE LETTER #09-16 (REVISED)

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 7, 2016
AMENDED ISSUE DATE: February 15, 2017

EFFECTIVE DATE: The First Month a Payment is Processed through NC FAST

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

- (1) Parental Fees
- (2) Parental Fees and the Blended Rates (**REVISED**)
- (3) Assessing Parental Fees
- (4) Not Assessing Parental Fees
- (5) Full-Time Care for Part-Time Need

Parental Fees

1. General Information:

Chapter 8, III. C. states "The administrative cost of collecting and accounting for parental fees makes it unreasonable to process very small amounts charged to families; therefore, a parental fee, when the total amount due is less than \$5.00 per month, is disregarded."

2. Policies:

Recipients will be responsible for paying parental fees of any amount that are assessed by the child care worker. NC FAST will calculate the parental fee and assess the fee amount.

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3. Procedures:

NC FAST will calculate the parental fee and assess the fee amount. Once the parental fee is assessed, the recipient is responsible for paying the parental fee directly to the child care provider.

Parental Fees and the Blended Rates (REVISED)

1. General Information:

Chapter 8, III., B. states "All families who are eligible for child care services based on their countable income will be charged a parental fee for a portion of the cost of child care services." Chapter 8, V., B. states "To determine the parental fee, the child care worker will multiply the family's gross monthly countable income by ten percent (10%) up to a maximum income limit."

2. Policies:

When a provider is paid based on a blended rate, the parental fee will be 75%. The parental fee will apply to the entire eligibility period.

3. Procedures:

Child care workers will send updated Child Care Action Notices to any families that were previously notified that their parental fee would change to 100% due to the introduction of blended rates. If a Child Care Action Notice was not sent notifying parents of this change, then no action is needed at this time.

Assessing Parental Fees

1. General Information:

Chapter 8, V. A. 2. States "There is one (1) parental fee for families receiving subsidized child care, regardless of the number of children in care and regardless of the hours of care needed. In cases wherein the parental fee exceeds the cost of care, services cannot be authorized. An exception to this would be when more than one (1) child is in care and the total cost exceeds the parental fee; then the parental fee could be divided between or among the children. Another exception to this would be when the total cost for before and/or after school care exceeds the parental fee."

2. Policies:

There is one (1) parental fee for families receiving subsidized child care assistance, regardless of the number of children in care and regardless of the hours of care needed. In cases wherein the parental fee exceeds the cost of care, services cannot be authorized. An exception to this would be when more than one (1) child is in care and the total cost exceeds the parental fee; the parental fee will be divided between or among the children. **If the parental fee exceeds all of the children's cost of care, the case is ineligible.** In the case where the parent/responsible adult requests services for teacher workdays and holidays, care must be authorized if the daily provider payment rate exceeds the daily parental fee amount.

When the parent/responsible adult requests services for summer and/or track out care only, care must be authorized if the monthly payment rate exceeds the monthly parental fee amount. The family should not be



placed on the child care waiting list. The case can be suspended until the child attends.

3. Procedures:

To determine the parental fee, the child care worker will multiply the family's gross monthly countable income by ten percent (10%) up to a maximum income limit.

Not Assessing Parental Fees

1. General Information:

Chapter 8, II. states, "Parental fees are not assessed for child care services when one of the following apply:

- A. Child care services are provided in conjunction with a child protective services plan to enable the child to remain in his/her own home;
- B. Services are needed to support child welfare services as described in Chapter 5: Establishing Need and a Plan of Care;
- C. Children who are receiving foster care services and need child care services. The foster children must be in the custody of the county department of social services and
 - 1. Residing in a licensed foster care home, or
 - 2. Placed with an adult other than their parents.
- D. Children with no income who reside in the home of an adult other than their parents, stepparents, or their nonparent relative caretaker. A child who resides in the home of someone other than their biological or adoptive parent or nonparent relative caretaker would be considered a family unit of one and there is no parental fee required for child care services if there is no countable income available to the child.

NOTE: If a child returns home and is no longer in the custody of the department of social services, the parent's income must be considered to determine eligibility for services."

2. Policies:

New policy will require parental fees be waived when the following apply:

- A. Child care services are provided in conjunction with a child protective services plan to enable the child to remain in his/her own home;
- B. Services are needed to support child welfare services as described in Chapter 5: Establishing Need and a Plan of Care;
- C. Children who are receiving foster care services and need child care services. The foster children must be in the custody of the county department of social services and
 - 1. Residing in a licensed foster care home, or
 - 2. Placed with an adult other than their parents.

NOTE: If a child returns home and is no longer in the custody of the department of social services, the parent's income must be considered to determine eligibility for services.

3. Procedures

When an application for subsidized child care assistance for children is being taken, the child care worker will not assess a parental fee for the reasons listed under the new policy. However, if a child returns home

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and is no longer in the custody of the department of social services, the parent's income must be considered to determine eligibility for services.

Part-Time Care

1. General Information:

For the purpose of full-time care to support part-time need, current policy in Chapter 22, III, E. allows the Local Purchasing Agency (LPA) to develop local policy on serving recipients if part-time care cannot be found. Chapter 5, III, A, 3b, states "Whenever possible, the childcare worker should request the child care provider to accept a part-time plan of care. If part-time care cannot be found, the LPA had the following options:

- A. Pay for full-time child care, with documentation noting the unavailability of part-time care.
- B. Develop a service plan which pays for full-time child care for one (1) month. The LPA may opt to purchase full-time child care for a second (2nd) month, with the understanding that the parent will increase the number of employment hours.

2. Policies:

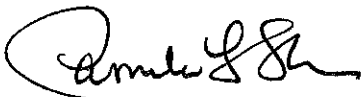
New policy states that full-time care will not be provided if the need is for part-time care and part-time care is not available. The Subsidized Child Care Assistance Program will only pay for the level of care that is needed.

3. Procedures:

LPAs will issue vouchers based on the number of hours care is needed. The recipient has the option of purchasing the remaining hours of care or continue the search for part-time care. Child care workers are encouraged to direct recipients to other resources for additional assistance.

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

Sincerely,



Pamela L. Shue, Ed. D

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