



Hot Topics in Child Care Subsidy

CCDF Reauthorization and NC FAST

Subsidized Child Care Assistance Program





The objective of this presentation is to provide an introduction to the upcoming policy changes to the Subsidy Child Care Assistance Program.





There will be a Q & A session after each section.

We will answer as many questions as possible.

Please write down and submit any additional questions you may have on the questions form and submit at the end of this presentation.



- Child Care and Development Block Grant Reauthorization CCDF Act of 2014
- DCDEE Updates
- Policy Standardization



- Child Care and Development Block Grant Reauthorization CCDF Act of 2014
 - Protection for Working Parents (Family Friendly Policies)
 - 12-month Eligibility
 - Recipient Responsibilities
 - Termination During the Eligibility Period
 - Graduated Phase Out
 - Redetermination
 - Job Search
 - Homeless
 - Blended Rates

- DCDEE Updates
 - IEM
 - Tribal Families
 - New Provider Agreement
 - OIA

- Policy Standardization
 - Local Policies

Child Care and Development Block Grant Reauthorization





- CCDF Plan is due March 31, 2016 for FY 2016-2018
- Already had focus groups and public hearings.
- Working to finalize plan.
- In order to meet the new CCDF requirements the following polices are pending.



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12-Month Eligibility

CCDF Act of 2014

- Once determined eligible, families must have a continuous 12-month eligibility period.
- Redetermination periods must also be 12 months.
- During the eligibility period, no periodic reviews may be conducted.
- Reporting requirements are reduced.
- Changes in income only affect eligibility if the income becomes greater than 85% of SMI.
- Current Subsidy Rules support these changes.





- The following are no longer required to be reported by recipients:
 - Marriage, Remarriage, Separation, Divorce
 - Change of job or work shift, or increase/decreases in the number of hours or days employed
 - Increase or decrease in hours of school or employment training or change in class schedule
 - Other changes that may affect eligibility for services





- North Carolina will exercise the option to terminate assistance prior to the ending eligibility date.
- Assistance will be terminated following 90 days for:
 - Unsuccessful job search
 - Failure to re-enter education or training
 - Failure to find employment after completion of education



- In progress with implementation for July 31, 2016
- DCDEE plan to implement a phase out period of 90 days at redetermination if the family's income is between the State eligibility limits and the 85% SMI.
- DCDEE has prepared a rule for graduated phase out of care to be added to the North Carolina Administrative Code.

- Currently redetermination can be done by phone with a follow-up signature on the paper application that will be mailed to the family. Parents may also complete an application and mail it to the Local Purchasing Agency.
- Current policy says that this is for hardship only. We will be changing this ASAP.



- Minimum requirement of 90 days
 - Job search after job loss
 - Transition between educational programs including vocational training
 - Job search after education

- In order to expand accessibility and continuity of care for vulnerable populations, which is a CCDF requirement, DCDEE will provide services and track families that are homeless.
- Policies are being created that align with McKinney-Vento Act for homeless populations.

- NC FAST already has living arrangement designations that include several “types” of homeless situations. In SCCRS New need codes to identify these populations.
 - Attempting to implement this into SCCRS prior to the implementation of NC FAST.
 - Homeless-060
 - Then a menu comes up to identify various living situations.
- Child Care Application
- DCDEE and NC FAST are working together to design and implement a paper application
 - The Child Care Application has been updated to assist with identifying Homeless populations. Temporary Living Arrangement was added with a list of 15 types of arrangements.
 - NC FAST alignment with McKinney-Vento will be completed with the rollout of NC FAST.



- Graduated Phase Out, Homeless Children, and Job Search modifications.
 - These rules are in the rulemaking process.
 - They were presented to the North Carolina Social Services Commission on December 9, 2015
 - Voted to publish a Notice of Rulemaking.



NC Social Services Commission Projected Timeline

- December 2015
 - NC Social Services vote to publish Rule text.
- March 2016
 - Public hearing for rule
- April/May 2016
 - NC Social Services adopt Rule, NC Rules Review Commission approves rule
- June 2016
 - Rule Becomes effective





DCDEE Projected Time Line

- February 2016
 - DCDEE will develop policies
- May 2016
 - DCDEE will train Local Purchasing Agency Staff



Blended Rates

CCDF Act of 2014

- School age children who attend just for the school year and not the summer will receive a blended rate for the school year
- This accounts for the days of closure during the school year.
- Providers will submit blended rates for the school year
 - 75% parent fee for the school year
- Market Rate for blended care will be higher than the current 75%
- Summer Time Only Care will receive a fulltime summer rate.
- Pre-K and Head Start families who attend part-day programs will receive a blended rate for the entire year.
- There will continue to be regular rates for preschool children as well.
- DCDEE and NC FAST continue to develop designs to incorporate these changes.



Child Care and Development Block Grant Reauthorization



DCDEE UPDATES



- DCDEE is in the process of entering policies in the Integrated Eligibility Manual.
- Child Care Policies that do not affect eligibility will be located in section 17000.
- Policies will align with FNS, Medicaid, Special Assistance, and Work First as much as possible as it relates to eligibility.
- DCEE will complete modifications to the Section for the Subsidized Child Care Assistance Program.
- The IEM implementation date is set for February 2016.
- <https://economicbenefits.nc.gov>

- Legislation about the Eastern Band of Cherokee Indians (ECBI) provides the tribe their own DSS.
- CPS, CWS, and Foster Care referrals will be processed in the county of residence.
- SCCRS may capture this information prior to the implementation of NC FAST.
- Tribal/Non-Tribal Federal Land Trust residents.
 - Tribal-040
 - Non-Tribal-041
- Tracking only for the EBCI



- A new provider agreement is in draft.
- This new agreement will change into a contract format.
- The completed document will be implemented to coincide with availability of the Provider Portal in NC FAST.

- DHHS/LPA Responsibilities
- Provider Responsibilities
 - NC FAST Implements
 - New Policies



- Definitions for providers
 - NC FAST terms
 - Types of Care
- Payment Policies
 - Parental Fees
 - Monthly Rates
 - Direct Deposit
 - Provider Portal





- Voucher Procedures and Reporting Attendance
 - Provider responsibilities of voucher acceptance and return
 - Policies on reporting attendance, deadlines, and inputting into the provider portal





- **Fraudulent Misrepresentation and Appeals**
 - What constitutes fraud and the actions that will be taken if fraudulent misrepresentation is proven.
 - Reporting any under or over payments
 - Provides steps to appeal sanctions



- Assistance Programs
 - CACFP (CCDF Requirement)
 - The purpose of the program is to ensure that eligible children and adults who attend qualifying non-residential care facilities receive nutritious meals.
 - To accomplish this purpose, CACFP provides reimbursement to qualified caregivers for meals and supplements (snacks) served to participants.
 - <http://www.nutritionnc.com/snp/cacfp.htm>





- DCDEE is working with the Office of the Internal Auditor
- Plans are to develop procedures for referral, investigation, and action on overpayments of all types.
- Development of Metrics for use in identification of providers who may not be following subsidy and regulatory policies and rules related to accurate record keeping.
- Facilities identified may be targeted for follow-up.



DCDEE UPDATES



POLICY STANDARDIZATION



As a result of the work done during the Work Support Strategies Grant regarding streamlining of program policies and the upcoming implementation of NC FAST, Subsidized Child Care Services Assistance Program policy changes are being made.



Current Policy Changes



- **Administrative Letter # 06-15**
 - Start Date for Parental Fees
 - Collection of Unpaid Parent Fees
 - Reduction in Parental Fees



- **Start Date for Parental Fees**
 - Parental fees for new applications will be effective/due on the first day of attendance.



- **Collection of Unpaid Parental Fees**
 - Collection of past due parental fees will be limited to 1 month prior to providers request for termination of services.





- Reduction in Parental Fees
 - Reduction in parental fee will be effective the current month in which the change is reported.



Pending Policy Changes



Pending Policy Changes

- Parental Fee Adjustment
- Redetermination
- Certification End Date
- Return of Vouchers
- Expired Vouchers
- Suspension of Services
- Changing Providers
- Discounts, Scholarships, and Sliding Fees
- Self-Employment/Gainful Employment
- Provider Closings
- Foster Care
- Post-Secondary Education
- Parent and Provider Notification of Terminated Services



- Parental Fee Adjustments
 - New Policy allows the recalculation of parental fees for any increase or decrease in countable monthly income.

- Redetermination
 - New Policy requires child care workers to send a reminder letter of redetermination.
 - This will be the first and only notice sent as a reminder for redetermination.

- **Certification Period End Date**
 - The certification period is to end on the last day of the month of eligibility period. This is without regard to weekends and holidays. (Aligns with FNS and Medicaid)

- Return of Vouchers
 - The parent/responsible adult must sign the voucher through ePASS
 - The provider must sign and accept the voucher through the Provider Management System within 30 calendar days.
 - If the voucher is not signed by both the parent/responsible adult and the provider by the 30th calendar day, the voucher is cancelled but can be reissued with another 30 day timeframe
 - The voucher must be signed by both parent/responsible adult.
 - New providers must be enrolled during the 60 calendar day timeframe.

- **Expired Vouchers**
 - Voucher will be cancelled if not returned in 30 days. There will be no grace period.

- **Suspension of Child Care Services**
 - Child Care Action Notice for Suspension will be issued at the end of each school year or semester.
 - Can be used for anytime the parent/responsible adult intends to return:
 - Medical Leave
 - Sabbatical
 - Summer Break

- **Changing Providers**
 - Local Purchasing Agencies can no longer limit the number of times a parent/responsible adult change providers.

- **Discounts, Scholarships, and Sliding Fees**
 - Discounts, Scholarships, and sliding fees are no longer calculated in subsidized child care rates/payments



- **Self-Employment**

- Time allowed for establishing gainful employment will no longer be a county option.
- Newly Self employed individuals will be given 12 months to establish gainful employment.

- **Gainful Employment**

- Gainful Employment will no longer be a county option.
- Gainful employment will be defined as making at least minimum wage.
- If the gross amount is less than minimum wage based on the hours the parent/responsible adult states they work, the number of hours will be determined by taking the gross income and dividing it by the current minimum wage to determine the gainful employment hours in determining level of care.



- **Provider Closings**
 - Current policy allows local purchasing agencies to set the limit on the number of days a facility can be closed and still receive payment for subsidized child care.
 - New Policy will allow providers to choose fifteen (15) days a calendar year for automatic approval.





- **Foster Care**

- In Foster Care cases, the child will be case head of their own case.

- **Siblings**

- The youngest child will be the case head

- If separated, each child gets their own case





- **Post-Secondary Education**
 - Existing policy provides twenty (20) months of subsidized child care assistance.
 - New policy will be that at the end of twenty (20) months no extension will be given.
 - This does not include Work First recipients.
- (only if Smart Start...MOU...Smart Start eligible children)

- Parent and Provider Notification of Terminated Services
 - Current policy allows a five (5) work day notice of termination that would apply under certain situations.
 - New policy allows only immediate termination or a ten (10) day notice.



POLICY STANDARDIZATION



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THANK YOU!

