

Operation Manual
Volume 8 — Child Care Assistance Program (CCAP)
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Volume 8 — Child Care Assistance Program (CCAP)
Purpose of the Child Care Assistance Program
MS 1001

(1)

Kentucky's Child Care Assistance Program (CCAP) assists families to access and obtain child care for the following categories:

- A. CCAP assists low-income families that meet any of the below eligibility requirements.
 - 1. Employment.
 - 2. **【At least a part-time enrollment in a certified trade school, accredited college or university.】**
 - 3. Initial job search (limited to one use in a twelve (12) month period).
- B. Participation in the SNAP Employment and Training Program.
Kentucky Transitional Assistance Program (KTAP) recipients who need child care while they participate in Kentucky Works Program (KWP) activities which include employment, education, job preparation activities and job search, and other activities designed to assist the family to attain self-sufficiency.
- C. Families determined by Protection and Permanency staff as in need of child care to mitigate risk or prevent future maltreatment.
- D. Teen parents under age twenty (20) that are attending or participating in homeschool for elementary schools, middle school, high school, or GED classes. This can be full-time, part-time, or less than half-time enrollment.

Volume 8 — Child Care Assistance Program (CCAP)

Goals of the Child Care Assistance Program

MS 1002

(1)

The goals of the program parallel those of the federal laws that provide funding for Kentucky's child care program. The primary funding sources for child care subsidies are the Temporary Assistance for Needy Families (TANF) and Child Care Development Fund (CCDF) block grants. The goals of those block grants include:

- A. Promoting parental choice to empower technically eligible families to make their own decisions on the child care that best suits the needs of their family.
- B. Providing consumer education information to help parents make informed choices about child care.
- C. Providing child care to families trying to achieve independence from public assistance.
- D. Implementing health, safety, licensing, and registration standards established in state regulations.
- E. Assisting needy families so children can be cared for in their own homes.
- F. Reducing dependence of needy parents by promoting job preparation, and work.

All case records represent a continuing documentation of eligibility for child care assistance. The case record contains sufficient material to substantiate the validity of all authorized assistance.

- A. All information received by mail or provided in person is to be date stamped or annotated as to the date of receipt.
- B. The following forms are needed in the case:
 - 1. Application/Approval Actions:
 - a. DCC-85, Approval for Child Care Assistance (Protection and Permanency use only).
 - b. DCC-90, Child Care Assistance Application Summary.
 - c. PA-77, Intent to Apply, if completed.
 - d. [PAFS-3, Information About Your benefits.
 - e. PAFS-2, We Need Your Information, if information is needed to complete the application.]
 - 2. Enrollment of a Child:
 - a. DCC-94, Child Care Service Agreement and Certificate.
Note: Form DCC-94 must be signed by the applicant and the provider. A completed copy of the form DCC-94 becomes part of the case file.
 - 3. Denial Actions:
 - a. DCC-105, Child Care Denial or Discontinuance Notice.
- C. All forms shall be used in the manner prescribed by policy and in accordance with the procedural instructions for each particular form. Department for Community Based Services (DCBS) Family Support staff shall ensure they are familiar with the policies and procedures for all forms in use and that the most up-to-date version of any forms are used in determining eligibility, documenting work, and completing internal or external requests.
- D. The content of forms given to a client for providing verification or requiring a signature is not to be altered by the worker prior to giving the form to the applicant. Though small notations may be made to indicate specific information needed, or to generally assist the client or the individual completing the form.
Note: Do not alter any form of verification once it has been provided by or signed by the client. Any additional information should be detailed in case comments and can be noted on a separate paper and attached to the original form.
- E. The child care case record of a Child Care Income Eligibility (CCIE), Temporary Assistance for Needy Families (TANF), or Teen Parent (TENF) family determined eligible by the DCBS Family Support staff shall contain the following:
 - 1. Copy of social security cards for all household members (Optional).
 - 2. Birth verification for all children receiving benefits, including but not limited to Kentucky Vital Events Tracking System (KVETS) record, birth certificate, or hospital record, etc.

3. Proof of identification of the person applying for assistance by Driver's License, Student ID, Military ID, State Issued ID, Social Security Card, or two other alternative forms to verify.
4. [Proof of residency and household composition. One or a combination of the following may be used as proof:
 - a. Form PAFS-76 Information Request, this form may be completed by someone living inside the home of the applicant if that person is not included in the household size.
 - b. Current lease, the lease must list the name of each occupant.
 - c. Written statement from someone familiar with the living situation. The document must list all household members, and the current address.

Note: A written statement must include the date, contact information and a signature from the person attesting.

- d. Collateral contact, if used the name and contact information must be documented in case comments.

Note: Categorically Eligible (CE) and Expanded Categorically Eligible (ECE) are valid verifications for residency when CCAP accompanies SNAP. CE and ECE are not applicable for stand-alone CCAP cases.]

5. Proof of citizenship or qualified immigrant status for a child needing CCAP.
6. Proof of household income by wage stubs, statement from the employer, personal records of self-employment, or completed PAFS-700 Verification of Employment and Wages.
7. Proof of allowable deductions by Court order of child support or records of self-employment expenses.
8. Proof of special needs using a SSI Award letter, statement from a health professional regarding need for child care for special needs children 13 years or older, or Individual Education Program (IEP) documentation.
9. Proof of required work hours OR hours engaged in a qualifying activity such as practicum, student teaching, internship, etc.
10. Proof of inability to care for the child(ren), if the second adult in the home is not working. This must be a current statement from a Health Professional that specifically states the inability to care for the child(ren).

Note: RSDI and SSI Award letters can be used to verify disability only. They do NOT verify the inability to care for the child(ren).

11. Proof of enrollment status in a certified trade school, accredited college, or university.

Thorough documentation of all case actions is required to be entered in the case comments. These comments should be a brief narrative which details all the pertinent factors of eligibility and enrollment. The worker is to provide detailed explanations, including the forms of verification used and any other pertinent information, for the following:

- A. Date of action, type of case, action taken;
- B. ID for the head of household;
- C. Residency in Kentucky for all child(ren) needing care;
- D. Citizenship or legal immigrant status for all child(ren) needing care;
- E. Household composition and relationship between children and all household members:
 - 1. Are there any ineligible members on the case; and
 - 2. Is the case a one parent or two parent household.
- F. Eligibility requirements including employment, education or Snap Employment and Training;
- G. Income for the household:
 - 1. What type of income an individual has.
 - 2. How the income was verified.
 - 3. How the income was calculated.
 - 4. What deductions are allowable.

[Note: Eligibility Advisor must be ran for every application and renewal. If verification is used for any situation in determining eligibility then staff must print the verification utilized and scan it into the electronic case file (ECF).]

- H. Zero income for any responsible adult in the household;
- I. Authorized Representative and a copy of their photo ID;
- J. It is mandatory for application case comments to contain:
 - 1. Provider selection status.

Example: Child care provider has been selected or Child care provider has not been selected.
 - 2. If a child care provider has been selected, document the provider's name, the center location, names of children needing care, enrollment start date and requested schedule for each child.
- K. Document if the child care schedule is Traditional or Non-Traditional. Anytime multiple providers are needed, case comments must list the reason why.

- L. The worker must ask the client if there are any provider or schedule changes that need to be completed. The client's answer should be included in the case comments;
- M. Outcome of the case:
 - 1. Approved;
 - 2. Pended, including what information is still needed;
 - 3. Denied;
 - 4. Discontinued; and
 - 5. If denied or discontinued why.
- N. Any unusual circumstances or case change dates.

Agency Error (AE)

An action on the part of the cabinet or it's designee that resulted in the case incorrectly approving, incorrectly denying, or incorrect computation of benefits.

Anticipated Income

Money reasonably expected to be received in the future, e.g. wages, social security benefits, child support, etc.

Applicant

A child's natural or adoptive parent or caretaker or relative who is applying for Child Care Assistance Program (CCAP) benefits. Applicants may also be referred to as clients and recipients.

Authorized Representative

A person designated in a written statement by an applicant to act on behalf of the household in completing application, recertification, or case change actions for CCAP benefits. The designation in writing is waived, if the individual is physically or mentally unable to provide a written statement. The representative is allowed to complete and sign all necessary forms.

Cabinet

The Cabinet for Health and Family Services (CHFS) or its designee as defined by KRS 199.894(1).

Caretaker or Relative

A person acting in the place of a parent; including a legal guardian, an individual that is related by blood, marriage, or adoption of child or a non-parent. If the Caretaker is a non-relative they must pursue legal guardianship within one year of application, which is verified at recertification.

Certified Family Child-Care Home

A private home, certified by the Division of Regulated Child Care (DRCC), which provides full-day or part-day care, day or night, for six (6) or fewer children who are not related to the provider. The children, nieces, nephews, grandchildren, or children in legal custody of the provider may also be cared for, but at no time is the certified provider permitted to have more than ten (10) children in care.

Change in Circumstances

A change that may affect the eligibility or benefit amounts.

Child

A person under nineteen (19) years of age.

Child Care Assistance Program (CCAP)

Kentucky's child care subsidy program providing families, who meet eligibility requirements of 922 KAR 2:160, with the financial resources to find and afford quality child care.

Child Care and Development Fund (CCDF)

The child care programs conducted under the provisions of the Child Care and Development Block Grant Act, as amended. The Fund consists of Discretionary Funds authorized under section 658B of the amended Act, and Mandatory and Matching funds appropriated under section 417 of the Social Security Act.

Child Care Service Agreement and Certificate

Notice used by the Cabinet or its designee and the family to secure child care from a licensed, certified, or registered provider. Defined in 45 C.F.R. 98.2.

Child Care Employee Exclusion

A provision for families applying for CCAP that meet all technical eligibility requirements and have verified employment in a CHFS Regulated Licensed or Certified child care program.

Child Care Provider

The individual, business, or business proprietor who is receiving, or has received, payment for child care services under CCAP.

Claim

An amount owed to the cabinet as a result of an overpayment of CCAP.

Claimant

A current or former CCAP recipient or child care provider subject to a claim.

Compromise a Claim

Accepting less than the full value of a claim.

Continuous Eligibility

Time to retain CCAP eligibility during the temporary interruption of work, training, or education.

Co-Payment

The amount a family receiving child care assistance is required to contribute toward the cost of care.

Division of Child Care (DCC)

The entity within CHFS that administers CCAP.

Division of Regulated Child Care (DRCC)

A Division within the Office of the Inspector General (OIG) responsible for licensure of Type 1 center-based child care facilities, Type 2 home-based child care facilities, and certification of family child care homes.

Earned Income

Money derived from direct involvement in a work-related activity (e.g., wages, self-employment, etc.).

[Eligibility Type]

Also known as Type of Assistance (TOA), indicates which category of assistance or eligibility group an applicant's CCAP case is classified as. The Eligibility Type may also indicate the funding source for the child care assistance received.】

Excluded Income

An amount received but not counted in determining eligibility.

Family

An applicant or parent, child or children, and another responsible adult if present, that are residing in the same home.

Family Child Care Home

Defined by KRS 199.894(5); is described in KRS 199.8982; and means a home certified in accordance with 922 KAR 2:100.

Finding of Fraud

A suspected intentional program violation in accordance with 922 KAR 2:090 that is accepted for investigation and substantiated by the cabinet's Office of Inspector General (OIG).

Fraudulent Activity

An applicant or child care provider's deliberate, untimely reporting of changes or misrepresentation of a known technical or financial eligibility requirement that is established by a court of law and results in an overpayment of CCAP funds.

Full-Day

Child Care that is provided for five (5) hours or more per day. These hours do not have to be consecutive.

General Education Development Certificate

A certificate earned by an individual who has passed an examination which indicates that the individual possess the basic skills equivalent to those of a high school graduate.

Health Professional

A person actively licensed as a physician, physician's assistant, advanced registered nurse practitioner, qualified mental health professional as defined by KRS 600.020(52) or registered nurse as defined by KRS 314.011(5).

Hearing Officer

As defined by KRS 13B.010(5).

Homeless

Individuals who lack a fixed, regular, and adequate residence due to economic hardship.

Improper Payment

Is defined by KRS 45.237(1)(f) or 45 C.F.R. 98.100(d)

Inadvertent Error Claim (IHE)

Is an overpayment resulting from a misunderstanding or unintended error on the part of a recipient or a child care provider.

Income

The money received from statutory benefits, wages, self-employment, rental property, investments, business operations, etc.

Income Eligible

A family at or below income guidelines established for CCAP.

Infant

A child that is less than one (1) year old.

Individualized Education Program (IEP)

A legal document that outlines a child's learning needs, including services and supports provided by the school or district, who qualify for special education and related services.

Initial Job Search

A provision used as a qualifying activity during the initial CCAP application.

Intentional Program Violation (IPV)

A CCAP recipient or child care provider having intentionally made a false or misleading statement, misrepresented, concealed or withheld facts.

Job Search in Change

The allowable timeframe to retain CCAP benefits during a non-temporary interruption of work, training, or education.

Kentucky Transitional Assistance Program (KTAP)

The monetary assistance program established by Kentucky using Federal Grants from the Temporary Assistance for Needy Families (TANF) block grant. KTAP provides financial and medical assistance to needy dependent children in Kentucky and the parents, or relatives, with whom the children are living.

Kentucky Works Program (KWP)

An employment and training program which assists KTAP recipients to gain self-support.

Licensed Child Care Facility

A type one (1) or type two (2) child care facility, these providers are Child Care centers at or not at the primary residence of the licensee that provide care to four (4) or more children, who can be related to the licensee, and are regulated by the Cabinet for Health and Family Services, office of the Inspector General, Division of Regulated Child Care.

Military Status

Military Status is indicated when a parent is on active duty or is a registered member of the National Guard or Military Reserves.

[Non-Temporary Change

A fixed change in circumstances, household status, or qualifying activity, such as employment or education.]

Non-Traditional Hours

Child Care that is provided between the hours of 7:00 PM and 5:00 AM, including the weekend from Friday 7:00 PM through Monday 5:00 AM.

Overpayment

A CCAP payment which exceeded the amount a CCAP recipient or a child care provider was eligible to receive.

Parent

A parent by blood, marriage, or adoption and also means a legal guardian, caretaker, or relative.

Part-Day

Child Care that is provided for less than five (5) hours per day.

Preschool Age

A child who has reached the third (3rd) birthday up to, but not including, the sixth (6th) birthday.

Preventive Services

Is defined by KRS 620.020(12).

Qualified Immigrant

A child who meets the requirements of 921 KAR 2:006, Section 1 (12) or (14).

Recipient

A family who has been determined eligible for CCAP subsidies.

Registered Relative Child Care Provider

A family member who cares for children in his or her own home or the child's home. A Registered Relative Provider may not care for more than six children related to the caregiver or more than eight children inclusive of their own children.

Registration

The process by which unregulated providers become eligible to receive CCAP payments.

Related

Having one of the following relationships with the provider. Child, stepchild, grandchild, great-grandchild, niece, nephew, sibling, child in legal custody or child living in loco parentis.

Responsible Adult

Is a person who is in the child's household and who is the natural parent, adoptive parent, stepparent, or the spouse of an individual caring for a child in loco parentis.

Retirement, Survivors, and Disability Insurance (RSDI)

The Social Security benefit payable under Title II of the Social Security Act to retirees, survivors, or disabled individuals.

School Age Child

A child that has reached his or her sixth (6th) birthday and/or is enrolled in public school.

Self-Employment

Earnings directly from an individual's trade or business from which no taxes are withheld prior to being paid to the individual.

State Median Income

The estimated median income of households in the state.

Supplemental Nutrition Assistance Program (SNAP)

Formerly and commonly known as the Food Stamp Program, SNAP provides food-purchasing assistance for low income people living in the United States.

SNAP Employment and Training (SNAP ETP)

A program that helps SNAP participants gain skills, training, or work experience to increase their ability to obtain regular employment that leads to economic self-sufficiency.

Special Needs Child

A child who has been evaluated and determined to have requirements above and beyond what is typical for children of a similar age and developmental level.

Supplemental Security Income (SSI)

The federal program of monetary payments to aged, blind, and disabled persons under Title XVI of the Social Security Act as amended.

Teen Parent

The parent and head of household, who is under the age of twenty (20), who needs child care assistance in order to attend elementary school, middle school, high school, or pursue a GED in a classroom setting.

Terminate a Claim

Ceasing all collection actions on a claim.

[Temporary Change

A change in circumstances, household status, or qualifying activity, such as employment or education, that is not expected to be permanent.]

Temporary Assistance for Needy Families (TANF)

This is a federal funding source for financial aid and support services including child care for families to gain self-sufficiency.

Term

Educational session that includes but is not limited to semester, quarter, intercession, or summer school.

Timely Report

The report of changes within ten (10) calendar days of the day the change becomes known to the individual.

Toddler

A child who has reached the first (1st) birthday up to, but not including, the third (3rd) birthday.

Transitional Child Care (TCC)

A transitional period in the CCAP eligibility period in which a child enrolled shall continue to receive assistance for six (6) months after becoming ineligible due to exceeding income limitations.

Underpayment

A payment which is less than the amount a recipient or a child care provider is eligible to receive.

[Unearned Income

Money received which does not involve direct physical or mental activity by the individual. Including, but not limited to, social security benefits, child support income, pensions, and worker's compensation.]

[Unpaid Work

Work activities, in which no compensation is received, that individuals are required to complete for a degree program, job training program, or are required by the Unemployment Insurance Benefit program.]

[Work Exemption

An exemption granted when the applicant is unable to meet work, education, or SNAP E&T requirements due to medical leave from employment and the applicant is deemed unable to care for their children by a health care professional.]

[Work Requirement

The minimum number of hours a parent or responsible adult is required to work.]

Volume 8. Child Care Assistance Program
General Procedures for Applications and Reapplications
MS 1500

(1)

These are the general procedures for low income families applying for the Child Care Assistance Program. Procedures for the child care process generated by Department for Community Based Services (DCBS), Family Support staff via the DCC-85 Approval for Child Care Assistance are outlined in Manual Section 2000.

No individual is refused the opportunity to apply. Conditions of eligibility or agency procedures do not preclude the opportunity for an individual to apply and obtain a determination of eligibility or ineligibility. DCBS Family Support staff must be available to take an application on a walk-in basis Monday-Friday from 8:00 a.m. to 4:30 p.m. No applicant shall be denied the right to be seen on the date they arrive at the local office. The applicant may be assisted by any individual in the application process, and may be accompanied by this individual in all contacts with the agency.

- A. The individual may preserve the filing date of application by completing a PA-77 Intent to Apply at the local office or by mailing a completed form to the DCBS Family Support staff. The date of application for a mailed PA-77 is the day it is received by DCBS Family Support staff. Additional options include Online Self-Service Portal and faxed hardcopy applications.
- B. If the individual is physically unable to come to the office to make an application:
 - 1. The household has the option to designate in writing an Authorized Representative to complete the application process. Permission is given by providing a written statement and signature of the applicant. The Authorized Representative must have an ID on file in the electronic case file.
 - 2. If the physically impaired individual, including a disabled, blind or hearing impaired individual has no friends or relatives to help with the application process and interview, the individual can be referred to their county and community resources (Community Action, Senior Citizens, Family Resource Center, etc.).
 - 3. Refer the applicant to the Family Support Call Center: 1-855-306-8959.
 - 4. The applicant can submit an application on the Kynect Benefits Self Service Portal (SSP).
- C. [If the individual is disabled or is elderly, provide consideration to any special needs the individual may have no matter where the interview is conducted. Special needs may include, but are not limited to:]
 - 1. Interpreter services for hearing impaired individuals; or
 - 2. Additional space for the interview to accommodate an individual in a wheelchair.
- D. If the individual is non-English speaking, and needs assistance in obtaining Interpreter Services, the State may provide for these services.
- E. If the individual is seen by the DCBS Family Support staff but cannot stay to complete the full application, the applicant shall be offered the option to complete a hard copy of the Intent to Apply. When all verification has been provided, the case must be processed by the thirtieth (30th) calendar day from the date of application.

F. The date of application is the day:

1. The individual comes in the office and completes and signs the PA-77 Intent to Apply. If the application is approved, the application date will begin when the PA-77 Intent to Apply is received.
2. A phone interview is conducted by DCBS Family Support staff. The information will be entered into the system at that time, either the abbreviated application or the full application. An electronic signature must be captured to save the date.
3. Faxed hard copy is received by the DCBS/Family Support Worker.
4. An online application is completed by the applicant at kynect.ky.gov. The system will then generate a notice to the applicant to call DCBS Family Support staff for an interview within thirty (30) calendar days.

Applicants should have ease of access when trying to apply for assistance. Ensure every effort is made to accommodate the recipients work schedule. Eligibility recertification should not require parents to unduly disrupt their employment.

NOTE: The applicant must complete an application interview by going into the local DCBS office or by completing a phone interview.

An applicant must be interviewed as part of the CCAP application process. Applicants can have face-to-face interviews at their local DCBS office, or they can contact Family Support staff at 855-306-8959 to complete a telephone interview.

- A. Use the following procedures for conducting phone interviews:
 - 1. Ask all questions and enter the applicant's responses concurrently into worker portal.
 - 2. All necessary forms will batch print and be mailed to the client.
 - 3. The case is pended for return of mandatory information and the signed application if the client declines the voice signature option, or if it is not available.
- B. Do not approve the case without a signed application. An application is considered to have been made when the application is submitted by phone with a completed voice signature or the appropriate application form is signed and received in the Department of Community Based Services office.
- C. The eligibility recertification must be initiated prior to the CCAP cut-off date. Recertification requests for information (RFI) will have a ten (10) day due date regardless of when the interview is initiated. Failure to initiate the interview timely will result in the eligibility closing at the end of the certification period.

Volume 8 — Child Care Assistance Program

Content of the Interview

MS 1510

(1)

During the application interview, the Department of Community Based Services Family Support staff will ask the individual each question from the application and discuss any responses which need clarification or are inconsistent. At a minimum, the following items are covered:

- A. View and copy documentation of birthdates for children for who benefits are requested. Birthdates of children born in Kentucky can be verified by the Birth Index File, Kentucky Vital Events Tracking System (KVETS) search;
- B. View and copy proof of identity of the applicant. Identity can be verified by one form of identification such as a Driver's License, Student I.D., Military I.D., or Social Security Card; or 2 other forms of verification;
- C. Request, but not require, social security numbers for all members;
- D. If the citizenship of a child cannot be established by birth verification, obtain proof of citizenship or legal status;
- E. Request verification of all relationships for all household members. Parents cannot self-attest that they are the child's parent;
- F. Establish and verify residency and household composition by completion of form PAFS-76 Information Request, or a similar statement. A similar statement may include but is not limited to a current lease or written statement from someone who knows the client. The lease or written statement must include all household members, and the current address. A written statement should also include contact information for the individual completing the written statement, their signature and the signature date. A collateral contact familiar with the family's living situation, who is not a member of the child care case, can be used if no other options are available.

Note: Categorically Eligible (CE) and Expanded Categorically Eligible (ECE) are valid verifications for residency when CCAP accompanies SNAP. CE/ECE are not applicable for stand-alone CCAP cases;

- G. If a child is aged 13 or older and care is requested, proof is needed of the child's inability to care for themselves. Proof includes but is not limited to an SSI Award Letter, court order, physician's statement, Individual Education Program (IEP) or a statement from a health professional as defined by KRS 600.020(52);
- H. All sources and amounts of income are declared and verified;
- I. All allowed deductions are considered and verified;
- J. Remind the applicant that certain non-temporary changes in circumstance must be reported within 10 calendar days of the date of change, as well as any changes which occur prior to processing the application; and
- K. If known, capture the CCAP enrollment information including the selected CHFS licensed or regulated child care provider, the requested care schedule, and the selected start date and end date if applicable. If the applicant needs assistance locating or choosing a childcare provider, provide resource or referral information per local protocol. Provide the applicant with a Division of Child Care Consumer Education Statement and form DCC-113, Facts about the Child Care Assistance Program (CCAP). The applicant is responsible for providing all verification needed

- L. to complete the application. If items are not available at the interview, the worker requests them in writing using form [PAFS-2 We Need Your Information.]

NOTE: Subsidy funds cannot be used to pay for full-day child care services for school-age children when full-day public school is available. Children that are homeschooled or enrolled in private school should be placed on a traditional school schedule. The family is responsible for any overages if they choose to send their child full days when schools in their area are in session.

Process the applications in the following manner.

A. Approval of Applications:

1. Approve the application if all technical and financial eligibility factors are met and eligibility is unquestioned.
2. New approvals receive 12 calendar months of eligibility, which is calculated as the remaining month of application and the following 12 months.
3. Reinstate applications to restore eligibility when the case was inactivated within the last 30 calendar days due to agency error. The following conditions must be met to reinstate:
 - a. Must be an existing case;
 - b. Case status must be inactive;
 - c. Case inactivation date must be less than thirty (30) calendar days prior to the current date; and
 - d. Case renewal date is in the future
4. Instances of when it may be appropriate to use reinstatement include:
 - a. Request for information (RFI) is sent but the requested information is not received so the case discontinued. It is then discovered the requested information was turned in, but misplaced. The case is reinstated and updated with the information received; or
 - b. Case denied due to unforeseen circumstances.

B. Denial of Applications:

1. Deny the application if all technical and financial eligibility factors are not met; or
2. Deny the application on the 30th calendar day if eligibility cannot be established due to the applicant's failure to present necessary information as requested by the **【PAFS-2 We Need Your Information.】**

C. Reactivate Feature for Applications and Renewals:

Reactivate for applications and renewals can only be used if the worker has everything needed to approve the case.

1. Application date (Request Date) must be within the past sixty (60) days and application was denied due to failure to provide requested verification.
2. Reactivate cannot be used if the client failed to sign their application or failed to complete an interview.
3. **【**Though case workers can reactivate a case that has denied within the past sixty (60) days from application date, case reactivation can only be back dated up to thirty (30) days and should not be a date beyond the date in which all mandatory verification has been received.

- a. **Example:** The application denied on 4/1 because the applicant failed to return proof of income and household composition. The applicant returned proof of income on 4/3 and returned proof of household composition on 4/15. The case worker should reactivate the case using 4/15 as the reactivation date.
 - b. **Example:** The application denied on 4/1 because the applicant did not complete their interview or sign the application. The applicant returned all items listed on the RFI on 4/30. The case worker should not reactivate the case because the applicant did not complete the intake interview, or sign the application.
4. For renewals that have discontinued for failure to provide requested verification within the past sixty (60) days. Sixty (60) days is counted from the date the renewal was initiated. Reactivate cannot be used if the client failed to sign their application or failed to complete an interview.

Note: At case change reactivation is not applicable. If the application denies due to failure to return mandatory verification, a new application will need to be taken.】

D. Special Circumstance

A Special Circumstance is given when a client needs backdated eligibility for the Child Care Assistance Program (CCAP) application.

Example: The client applied for CCAP on 8/15 and the case denied in error. The client later reapplies, the case is approved, and it is discovered that the 8/15 application denied in error. A special circumstance is applicable for the timeframe eligibility is needed.

1. CCAP Special Circumstances are given in whole months and it is imperative to enter the correct enrollment start date based on when the client was eligible. It should not be assumed that the client is eligible for the whole month of benefits. For the above example, the client would receive a Special Circumstance for the entire month of August, but the enrollment start date should be 8/15.
2. When requesting a Special Circumstance, the system defaults the family co-payment to zero (0) and it is up to the worker to enter the correct co-payment amount.
3. Division of Child Care (DCC) Special Circumstance approvals must be given for requests that are either greater than two (2) months or if a request is made more than once within the last twelve (12) months.
4. When backdating enrollments, a Special Circumstance may not be needed if the client already has CCAP eligibility for the requested timeframe. Workers should always check for CCAP eligibility prior to submitting a Special Circumstance.

A. Applications

When verification is received for an initial application, the case is processed no later than thirty (30) calendar days from the date of the application. If the application is processed within the standard of promptness and the individual is ineligible as of the day of processing a DCC-105, Child Care Denial/Discontinuance Notice, is issued.

The standard of promptness will also apply to case changes and the processing of the DCC-94, Child Care Certificate, as all changes shall be worked no later than the requested due date.

B. Recertifications

Individuals are mailed a DCC-90F, Recertification of Child Care, forty-five (45) calendar days prior to their certification end date. They are given until the case cut-off date to complete the renewal interview. Once the interview is initiated, the client has ten (10) calendar days to return requested verification. If they do not complete the renewal process, the case discontinues at the end of the certification period.

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Homeless Application Process

MS 1525

(1)

Homeless households that meet or report meeting technical and financial eligibility requirements are eligible for expedited CCAP services. They are entitled to immediate approval and eligibility starts when the identity (ID) for the head of household is provided. **Meeting or reporting to meet eligibility requirements is the key to expedited services.** [The system will trigger form PAFS-2, We Need Your Information (RFI), with a minimum of three (3) calendar months to return all mandatory verification.]

Note: Homeless households that report they are NOT working will be offered Initial Job Search, if applicable.

Applicants that return all required information by the end of the three (3) calendar month period and meet all eligibility requirements will not see a change in the certification period. The maximum allowable certification period is assigned based on program rules.

A. [Identity Verification for Homeless Applicants

1. A driver's license or state issued ID, regardless of the expiration date; or
2. A student ID, regardless of the current student status; or
3. Military ID; or
4. Any Federally issued ID, including a Social Security Card; or
5. Two (2) other alternative forms of ID

B. Technical and Financial Eligibility Requirements for Homeless Applicants

Homeless households must meet all technical and financial eligibility criteria in order to continue with the program. Refer to MS 3000-MS 3050 for all technical eligibility requirements for CCAP.

C. Request for Information (RFI) Due Dates for Homeless Applicants

Clients can return the mandatory requested information any time during the minimum three (3) calendar month timeframe of the expedited care period. If all information is returned, but the case is not technically and financially eligible, the case will discontinue on the last day of the next administratively feasible month. The three (3) calendar month care period is not guaranteed.

Example: Zachary is a single parent applying for CCAP benefits on 2/1. Zachary reports they are currently living place to place, without a fixed address, and that he works 25 hours a week at the local grocery store. Zachary had a copy of his driver's license on hand. The Family Support case worker approves the application with expedited benefits, the RFI has a listed due date of 4/30 and the case shows approval through 4/30. On 2/27 Zachary returns all RFI items and the Family Support case worker determines that Zachary only works 15 hours per week. CCAP will deny due to not meeting the work requirement, because the action date is after the adverse action cut-off, the denial will be effective 4/1.

Note: There is no limit to the number of times a household may be eligible under the expedited procedure as long as prior to each expedited certification the household was approved under normal processing standards since the last expedited certification.]

[The Department of Community Based Services (DCBS) Family Support staff have thirty (30) calendar days from the date of the application to determine eligibility. If the application is approved for benefits, the eligibility determination is valid for twelve (12) months.

During this twelve (12) month eligibility period, the case may discontinue if there is a non-temporary change reported that puts the case into “Job Search in Change”, which is an up to three (3) calendar month period. The case would discontinue at the end of the “Job Search in Change” period if the client is not meeting the eligibility requirements or end with the certification period, whichever comes first.]

Note: A twelve (12) year old child turning thirteen (13) and an eighteen (18) year old special needs child turning nineteen (19) will continue to receive child care assistance during the approved twelve (12) month eligibility period. Their eligibility WILL NOT end on their birthday.

Example: If a parent or responsible adult applies for child care services on 6/17/21, and the application is approved on 6/30/21 for child care benefits, the eligibility period is 6/17/21 through 6/30/22.

A. Teen Parents (TENF)

A household that qualifies as a TENF household at intake or recertification should continue as a TENF household even if the responsible adult(s) turn 20 during the certification period, if they are attending high school. If during the certification period, regardless of age, the responsible adult(s) ceases or completes an activity, eligibility should be evaluated to determine if household qualifies in a different CCAP category of assistance.

If the household does not qualify in another category of assistance, the TENF household should receive the grace period of up to three (3) calendar months or the end of the certification period, whichever is first. A TENF household with a responsible adult that turns 20 during the certification period and is still attending high school should remain TENF until the month of recertification.

B. Presumptive Eligibility

Clients that provide a photo ID and report they are working or have a current school enrollment are eligible for expedited services through presumptive eligibility.

To qualify, the client must report one of the following:

1. Employment of at least 20 hours per week for a single parent home.
2. A combined total of at least 40 hours per week, with one of the parents not working less than 5 hours per week for a 2-parent home.
3. Verified full-time or part-time student enrollment of at least 6 credit hours per semester.

Note: Households that have received presumptive eligibility cannot be expedited again until they have returned all required verifications and met all initial technical eligibility requirements.]

C. Homeless Households

Homeless households that **ARE** meeting the work requirement are eligible for expedited services. They are entitled to immediate approval and enrollment starts when applicants ID is provided. (If a driver's license is provided, it does not matter if it is expired.) Homeless households have a minimum three (3) calendar months from the date of application to return all verification. If all verification is not returned, eligibility may be discontinued. If all verification is returned, but the case is not technically and financially eligible, the case will discontinue on the last day of the next administratively feasible month.

Homeless households may qualify to gain initial eligibility via Job Search if the client does not meet the work, education or SNAP Employment and Training requirement and wants to use the once in twelve (12) months Job Search at the time of application.

D. [Eligibility When Adding a New Child to Existing CCAP Case

When a CCAP recipient adds a new child to the household and requests child care benefits, the child will receive twelve (12) months of eligibility. This eligibility timeframe is calculated as the twelve (12) months following the month the child is added. All CCAP children on the case, with active eligibility, will have their recertification dates extended so they align with the newly added child.

Example: Emily applied for CCAP for her daughter, Mia, on 4/10/24. Her eligibility timeframe is 4/10/24-4/30/25. On 10/20/24, Mia adds her new baby, Ryan, to her CCAP case. Ryan's eligibility timeframe is 10/20/24-10/31/25. Mia's renewal date is extended from 4/30/25 to 10/31/25 to align with newly added Ryan.]

Eligibility for child care services falls within the following family types.

- A. CCIE: Low-income families that meet the current work requirement, families that are participating in the Supplemental Nutrition Assistance Program Employment and Training (SNAP E&T) or enrollment in a certified trade school or accredited college or university.

Note: Actively enrolled (CCIE) students must meet current technical eligibility requirements for the CCAP program and be enrolled in a minimum of 6 credit hours per semester.

- B. [CCBP: Referral from the Division of Protection and Permanency (DPP) requesting child care assistance to mitigate risk or prevent further intervention from the cabinet for children remaining in the home of their birth parent(s).
- C. CCRP: Referral from the Division of Protection and Permanency (DPP) requesting child care assistance to support the placement of children with relative and fictive kin caregivers as the result of a child protective services (CPS) investigation or assessment.]
- D. TANF: Active Kentucky Transitional Assistance Program (KTAP) cases participating in the Kentucky Works Program (KWP).
- E. TENF: Teen parent households, where the head of household is under the age of twenty (20) and attending elementary school, middle school, high school or obtaining a GED.

The Division of Protection and Permanency (DPP) staff may approve child care using form DCC-85, Approval for Child Care Assistance, when families need the service for reasons related to mitigating the risk of child maltreatment.

A. DPP can approve preventive child care assistance to:

1. Mitigate risk identified through an assessment to provide stability for the family and prevent future maltreatment;
2. Prevent the need for further child protective service (CPS) intervention, such as entry into care; or
3. Support placement of children with relative and fictive kin caregivers as the result of a child protection investigation or assessment.

Note: DPP staff must inform a potential relative or fictive kin caregiver of their ability to become approved as a foster or adoptive parent as an alternative to accepting temporary custody of a child placed by the Department for Community Based Services (DCBS).

4. Foster care children are not eligible for CCAP subsidies.

B. DCBS DPP staff are responsible for:

1. [Determining initial eligibility for child care for preventive CCAP for DPP clients, completing and submitting a DCC-85 within ten (10) calendar days of the time the need is identified to the CHFS DCBS DCC-85 box. If not received within three (3) calendar months of the care start date, a justification as to why the referral was not submitted timely must be provided.]

Note: DCC-85 Child Care Assistance referrals should be submitted to:

DCC85@ky.gov

2. Providing the client with page three (3) of form DCC-85 confirming eligibility for child care services.
3. Providing the client with form DCC-113, Facts About the Child Care Assistance Program, and form DCC-120, Consumer Education Statement.

C. Family co-payments are waived for preventive child care.

D. Form DCC-85 will serve as verification of social security numbers, birthdates, citizenship, and parent income. The worker shall not require that this information be re-verified for a case approved by form DCC-85 process.

E. Special attention and care are to be afforded to instructions provided by the DPP worker regarding the required type of provider, days of the week care is to be accessed, and any comments recorded on form DCC-85. Only Licensed and Certified child care providers can be used for children receiving child care services with a DPP referral. This is necessary to ensure the safety and proper care of children approved for child care subsidies by DCBS staff working in DPP programs.

F. The eligibility period for DPP referrals is twelve (12) months and ends on the last date of the twelfth (12th) month. The twelve (12) month period begins on the date of application.

- G. A twelve (12) year old child turning thirteen (13) and an eighteen (18) year old special needs child turning nineteen (19) will continue to receive child care assistance during the approved twelve (12) month eligibility period.
- H. In the event of closure of a licensed or certified child care provider caring for children receiving preventive child care assistance, the Division of Child Care will provide the names of children currently enrolled with the provider under those eligibilities to the Division of Protection and Permanency (DPP).

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Enrollment Fees

MS 2005

(1)

[In addition to Protection and Permanency cases, enrollment fees can be paid for teen parents attending school (TENF) and Kentucky Works Program (KWP) recipients approved by Family Support. Enrollment fees are paid only for these three (3) groups of recipients. The enrollment fee payment must be requested in writing by the provider.]

The Department of Community Based Services (DCBS) Division of Child Care (DCC) will be responsible for provider payments and enrollment fees. Child Care providers will be responsible for requesting enrollment fees and for providing a list of children that the request is being considered.

The Child Care Staff collects fee information from licensed and certified child care centers on the DCC-94B, Licensed and Certified Provider Agreement Form. The amount of the fee must be indicated on the DCC-94B for a fee payment to be authorized to the provider. A Registered Relative Child Care Provider must complete a DCC-94A for the same process. An enrollment fee **cannot** be more than one hundred dollars (\$100) per family, per year.

Enrollment fees are paid to Licensed Type 1 and Type 2 centers, Certified Family Child Care centers and Registered Relative Child Care Providers if this is their policy to charge the enrollment fee to the general public. If non CCAP families are not charged an enrollment fee, then enrollment fees are not paid for CCAP families.

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Application Process

MS 2500

(1)

Applications are accepted and processed by the Department of Community Based Services (DCBS) Family Support staff for low-income families meeting eligibility with employment, full or part-time education or Supplemental Nutrition Assistance Program (SNAP) Employment and Training. This would also include teen parents that are attending elementary school, middle school, high school or obtaining a GED.

Family Support case managers are responsible for providing Temporary Assistance for Needy Families (TANF) child care assistance for Kentucky Transitional Assistance Program (KTAP) Kentucky Works Program (KWP) participants. TANF is a supportive service authorized only by the case manager. There is not a separate application for KTAP KWP participants.

[Each household or its representative has the right, and is encouraged, to file an application the same day of contact with the office whether the contact is made in person or by telephone. In addition to in person applications, households may file CCAP applications by submitting the application form to a local office themselves, through an Authorized Representative, by mail, Web Portal, fax, or telephone.]

For detailed information on the application process, see Manual Sections 1500, 1505, 1525 and 2000.

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Child Care Income Limits

MS 2505

(1)

The family applying for low income subsidized child care assistance (CCIE) and teen parents (TENF) must have monthly gross countable income which is less than or equal to 85% of the State Median Income (SMI). At case change and recertification, families who have been approved for the child care assistance program (CCAP), remain income eligible as long as their monthly countable gross income is less than or equal to 85% of the State Median Income (SMI).

- A. [The CCAP income guideline at initial application, case change and renewal are 85% SMI.

Family Size	85% SMI (10/1/26)
2	\$5,016
3	\$6,196
4	\$7,376
5	\$8,556
6	\$9,736
7	\$9,958
8	\$10,179
9	\$10,400
10	\$10,621
11	\$10,843
12	\$11,064
13	\$11,285
14	\$11,507
15	\$11,728

For each additional household member above a household of 15, add \$221.]

- B. Transitional Child Care (TCC)

CCAP households that are discontinued due to combined household incomes exceeding 85% State Median Income at case change and recertification are eligible for Transitional Child Care (TCC). This is an additional CCAP benefit for six (6) months.

1. Co-payments are assessed at zero for the TCC eligibility period.
2. Reimbursement rates are reduced and calculated at 50% of the Provider Subsidized Rate or the State Max Rate (whichever is lower) and will be rounded up to the nearest whole dollar.
3. The family is responsible for any overages charged by the center.
4. Form DCC-94, Child Care Service Agreement and Certificate, is generated with an updated end date and adjusted reimbursement rate.
5. CCAP households are only eligible for TCC once in a rolling 12-month period.
6. TCC is tracked just like Job Search via a tracker function.

C. TCC at Case Change

The six (6) month TCC period begins the month following the reported change.

1. If TCC is approved due to a case change and the TCC end date is beyond the CCAP renewal date, the renewal date will be pushed and will align with the TCC end date.
2. [Households that are approved for CCAP with initial job search or job search in change are still eligible for TCC when a change is reported that is going to put them over the income limit.
3. Homeless and Presumptive Eligibility households that have outstanding extended Requests for Information (RFI) from their initial application are NOT eligible for TCC if they report a change that exceeds the CCAP income limit.
4. Only homeless households that have returned all verifications from the initial application and have had their case disposed will be eligible for TCC if they later report a change in income that puts them over the income limit.

D. Job Search in Change During TCC

Households that are approved for TCC are not eligible for job search in change if a non-temporary change in their qualifying activity is reported. Only households that are meeting CCAP eligibility requirements after the TCC end date are eligible for ongoing CCAP.

E. TCC at Recertification

The 6-month TCC would begin the month following the review-initiated date.

[Though individuals may be eligible for TCC if they exceed the income limit at renewal, they must initiate and complete the renewal to qualify for TCC at recertification.]

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Teen Parents

MS 2510

(1)

A teen parent is defined as any parent under the age of twenty (20) who needs child care assistance (CCAP) in order to attend elementary school, middle school, high school or pursue a general education development (GED) certificate in a classroom setting. Teens can take classes in vocational or technical school but it must be through the high school. There are no hour requirements in school or GED. The recipient can be full time, part time or less than part time.

- A. For teen parent child care assistance applicants, the teen and their child(ren) are considered a nuclear family, even if they are residing with other family members. Any income that the teen parent has is used in determining eligibility and in assessing daily family co-payments. (Countable income of the child includes RSDI and child support.) No other adult member of the household is counted in terms of family size or income, unless the teenager is married and living with their spouse or living with the parent of the child(ren). Teen parents that reside with a parent and receive Kentucky Transitional Assistance Program (KTAP) benefits are subject to KTAP household composition and income requirements.

Example: Tamara, a sixteen (16) year old with a three (3) month old son, lives with her parents. She goes to high school and needs child care. Tamara receives child support of twenty-five dollars (\$25) per week from the child's father. Child support income is the only income considered in the child care case. The family size is two (2).

Example: Heather, a seventeen (17) year old, lives with her eighteen (18) year old boyfriend, Phillip, and their one (1) year old daughter. They live in the basement of Heather's parents' home. Philip works twenty (20) hours per week and Heather goes to GED classes. Philip's wages are the only income considered in the child care case. The family size is three (3).

- B. [Teen parents not receiving CCAP services through the eligibility types CCBP, CCRP, or TANF must meet income eligibility guidelines in order to receive child care assistance. A teen parent who is **not** attending school or pursuing a GED, must meet the same work requirement and income guidelines as low-income working families (CCIE - eligibility type). A teen parent who works, in addition to attending high school or pursuing a GED, meets the work requirement by continuing education. The work requirement of twenty (20) hours per week is **not** required.]

Note: Their earned income is countable in the CCAP case.

- C. Teen parents who are attending high school or pursuing a GED remain eligible for CCAP during temporary breaks in school or until the end of their eligibility period.

A. Students that **are meeting** the work requirement:

Low-income families that **are meeting** the work requirement may receive child care services while they attend education activities. Proof of enrollment from the school or institution is required prior to authorizing child care to cover time spent in education activities. Acceptable verification of enrollment includes an official class schedule or a written statement from a school official.

Child care can be authorized while the adult(s) in the family attend:

1. High School;
2. GED classes, including online classes provided outside the home;
3. Licensed or accredited vocational and technical schools;
4. Accredited college or universities including online classes.

Enrollment can be full time, part time or less than part time. There are no limits on the length of time a working adult can attend school and receive child care services.

B. Students that are **not meeting** the work requirement:

[A provision has been made for part time and full time students who are **not meeting** the work requirement with employment. This provision allows them to meet the work requirement with their school enrollment. The child is eligible for CCAP if the child resides with an applicant who:

1. Is enrolled part time or full time in a certified trade school, accredited college, or university. The student must be enrolled a minimum of 6 credit hours per semester to be considered part-time.]
2. Provides verification of enrollment with a trade school, college, or university in which they are enrolled.
3. Is defined as a full time or part time student by the applicable learning institution.
4. Has been determined to meet CCAP eligibility for up to 60 months.

Note: The sixty (60) months for this provision are cumulative.

When parents share custody of a child and both parents need child care assistance, each parent must apply for the time and days the child resides in their home and pays the corresponding co-payments, if applicable. These are two (2) separate applications even if the child is with the same child care provider.

Joint custody can be verified by a court order, with verification from the Division of Protection and Permanency (DPP), with a client statement, or a written statement.

Example: Pam and Jim share custody of their child. The child resides with the Pam Monday through Thursday and with Jim Friday through Sunday. Both parents can apply for child care assistance during the time the child is residing in their home. There would be two (2) separate cases.

A. A child meets the age requirement if he/she is:

1. Birth through twelve (12) years old; or
2. Age thirteen (13) but under age nineteen (19), and be considered special needs.

Note: A twelve (12) year old child turning thirteen (13) and an eighteen (18) year old special needs child turning nineteen (19) may continue to receive child care assistance until the end of the twelve (12) month eligibility period if technical and financial eligibility is met.

B. Age is verified by:

1. State authorized numbered birth certificate (including delayed registration at least one (1) year old);
2. Verification of Kentucky birth registrations, Birth Certificate Inquiry (Birth Index File Kentucky Vital Events Tracking System (KVETS));
3. Hospital record containing the child's name, date of birth, parent's names, hospital name and address and official signature of hospital personnel;
4. Baptismal record;
5. Statement from attending physician/midwife;
6. Adoption record; or
7. Immigration and Naturalization Services (INS) records including a passport, or immigration papers which includes child's name and birthdate.

Note: If a child was born out of state and birth verification is not available at the time of approval, client statement is acceptable unless questionable.

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Special Needs Requirements

MS 3005

(1)

[For a child to be considered special needs, written verification of the special need must be obtained. Children with special needs have been evaluated and determined to have requirements above and beyond what is typical for children of a similar age and developmental level. A child with special needs is physically and mentally incapable of caring for their self. This policy does not apply to children that are developmentally advanced.]

Verification may be provided by:

- A. A qualified health professional, a physician, physician's assistant, advanced registered nurse practitioner, qualified mental health professional as defined by [KRS 600.020\(48\)](#) or registered nurse as defined by [KRS 314.011\(5\)](#)
- B. A court order or similar documentation indicating the child is under court supervision.
- C. An Individual Education Program (IEP) provided by the school.
- D. SSI Award Letter.

An eighteen (18) year old special needs child turning nineteen (19) will continue to receive child care assistance during the approved twelve (12) calendar month eligibility period. If the application is approved for benefits, the determination is valid for twelve (12) calendar months. The twelve (12) calendar month period begins on the date of application and is valid until twelve (12) calendar months later.

Example: Jane is an eighteen (18) year old with special needs and is approved for CCAP with an eligibility end date of August 31. Jane's nineteenth (19) birthday is on April 7. Jane, even though she turns 19 during the approved eligibility timeframe, will continue to receive benefits through August 31. She will not be eligible for recertification.

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Residency Requirements

MS 3010

(1)

As part of the technical eligibility, the **child** must be a resident of Kentucky.

There is no requirement placed upon the duration of residency. Residency is verified by documentation which reasonably establishes that the child resides in Kentucky and can be verified in conjunction with other information such as, but not limited to, household composition, school attendance, income, receipt of Social Security Income (SSI), etc.

Categorically Eligible (CE) and Expanded Categorically Eligible (ECE) are valid verifications for residency when CCAP accompanies SNAP. CE and ECE are not applicable verifications for stand-alone CCAP cases.

[Note: Children that have moved out of Kentucky are no longer eligible for CCAP benefits and their eligibility will end. This policy does not apply to children that have been placed in another state, but are still in the custody of the Department for Community Based Services and receiving Protection and Permanency child care services.]

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Household Composition

MS 3015

(1)

The names of all individuals who reside at the same physical address as the applicant are to be verified at each application, recertification, and at any occurrence of a change in the household's composition. Household composition is verified by:

- A. Public assistance form PAFS-76 Information Request.
- B. A lease which lists all residents at the applicants address. The lease must be current and no older than one (1) year old. The lease must be signed by both the lessee and the lessor.
- C. A written statement from an individual who has knowledge of the client's living situation. A written statement must include all household members and the address at which the family is currently residing. Contact information for the signer and the signature date must be included on the written statement.
- D. Collateral Contact from an individual who has knowledge of the client's living situation may also be accepted. When collateral contact is used Family Support staff must annotate the name, contact information, and the verified information in the case notes prior to disposition of the application.

Note: Household composition may be completed by someone living inside the home of the applicant as long as that person is not included in the applicant's household size. This could include an applicant living with and paying rent to a parent, other relative, or an unrelated adult.

Example: Veronica and her daughter live with Veronica's oldest sister, Betty. Betty fills out the Public assistance form PAFS-76, and lists herself as a resident alongside Veronica and her daughter. The form is accepted and Betty is listed as a non-household member.

The DCBS Family Support staff must document any unusual circumstance related to household composition including, but not limited to, the reason for accepting verification from an individual residing with the applicant, the name and telephone number for any collateral contacts made, and any other information that has a bearing on the determination of eligibility for the case.

Volume 8 — Child Care Assistance Program (CCAP)

Homeless Households

MS 3020

(1)

During an initial application homeless households are unique from other eligibility types as the technically eligible household is entitled to a minimum of three (3) calendar months from the date of application to return verification. This allows the household that meets or reports meeting technical eligibility to return all required documentation gradually, if needed. Homeless cases are approved and enrollment starts when the HOH provides ID. If a driver's license is provided, it does not matter if it is expired. See Manual Section 1525 Homeless Application Process for details.

Households that return all required information and are technically and financially eligible at the end of the three (3) calendar month period will not see a change in the certification period at approval of application. Homeless households must meet all other technical and financial eligibility criteria in order to continue with the program.

Clients can return all requested information anytime during the three (3) calendar month Request for Information (RFI) period. If information is returned but the case is not technically or financially eligible, the case will discontinue. If requested information has not been provided, the application will be discontinued.

Note: Homeless households cannot be expedited again until they have returned all required verifications and met initial technical eligibility.

Note: Co-payments can increase if verified information determines a higher family co-payment.

Below are three (3) examples of CCAP for the homeless household.

Example: Ruth and her child, Noah, are homeless and staying at a local shelter. Ruth is employed and currently meeting the work requirement. She would be entitled to expedited CCAP benefits as long as she provides her ID. Her case would be approved, and she would then have a minimum of three (3) months from the date of application to return the requested documents.

Example: Mike and his son, Timothy, are homeless and staying at the local shelter. Mike is **not** employed but would like to apply for CCAP using Job Search. This method can be used only once in a twelve (12) month period. The CCAP would be approved, and the case would remain approved for the minimum (3) months.

Example: Ellen and her two (2) children, Macy and Joel, are staying at the local homeless shelter. Ellen is **not** employed and has already used the Job Search option in the last 12 months. Her case will deny as she is not meeting the work requirements at the time of application.

R. 7/1/21 – OMTL-

Volume 8 — Child Care Assistance Program (CCAP)

Temporary Absence

MS 3025

(1)

A responsible adult, either applicant or applicant's spouse, is considered to be in the household even if they are temporarily out of the home. A temporary absence can include being absent due to being in the military, hospital or employment, as long as there is the intent to return to the household and there is a continuing ongoing relationship. The income of this person is considered when computing household income and the person is included in this family size.

If working or in the military, the other responsible adult is still required to meet the forty (40) hour work requirements for a two (2) parent household.

Note: An individual who is incarcerated is **not** included in the household.

Volume 8 — Child Care Assistance Program (CCAP)
Citizenship and Immigration Status Requirements
MS 3030

(1)

A child must be a U.S. citizen or qualified immigrant to be eligible for child care benefits. This includes children born in the United States to non-citizen parents. Immigrant status is verified by Immigration Naturalization Services (INS) documents. Below is a list of common documents used to verify various immigrant statuses. Accept any INS documentation provided by the applicant that verifies the child's status and date of entry unless it is questionable.

Adults in the home are not required to meet citizenship requirements.

A. [Permanent resident alien before August 22, 1996

1. Form I-151, Alien Registration Receipt Card
2. Form I-551, Permanent Resident Card

B. Permanent resident alien on or after August 22, 1996

1. Form I-551, Permanent Resident Card

C. Permanent resident alien with veteran or active duty US Military Status

1. Form DD-214 Discharge and Release Certificate
2. Any document showing active US Military Status

D. Refugee

1. Form I-94, Arrival and Departure Record, admitted under the Immigration and Nationality Act (INA) 207
2. Form I-94, Arrival and Departure Record, marked with "Refugee"
3. Form I-94, Arrival and Departure Record, marked with "Refugee-Conditional Entrant"

E. Asylee

1. Form I-94, Arrival and Departure Record, admitted under INA 208
2. INS letter

F. Deportation Withheld

1. Form I-94, Arrival and Departure Record, admitted under INA 243(h)
2. Letter from an immigration judge

G. Amerasians

1. Form I-94, Arrival and Departure Record marked with one of the following identifiers: "AM1", "AM2", "AM3", "AM6", "AM7", or "AM8"
2. Form I-551, Permanent Resident Card marked with one of the following identifiers: "AM1", "AM2", "AM3", "AM6", "AM7", or "AM8"

H. Parolees

1. Form I-94, Arrival and Departure Record, admitted under INA 212(d)(5) with an "indefinite" date

I. Conditional Entrants

1. Form I-94, Arrival and Departure Record, admitted under INA 203(a)(7)

J. Cuban or Haitian Entrant

1. Form I-94, Arrival and Departure Record, admitted under INA 207
2. Form I-94, Arrival and Departure Record, marked with "Refugee"
3. Form I-94, Arrival and Departure Record, marked with "Refugee – Conditional Entrant"

K. Compacts of Free Association (COFA) Citizens

1. A valid Federated States of Micronesia passport
2. A valid Republic of the Marshall Islands passport

L. Battered Aliens

1. Form I-95, Crewman's Landing Permit, admitted under INA 204(a)(1)(A) or (B)
2. Form I-95, Crewman's Landing Permit, marked with "deportation is suspended" under INA 244(a)(3)

M. Victims of human trafficking and eligible relatives

1. Form I-94, Arrival and Departure Record, with a T-1 visa category
2. Form I-94, Arrival and Departure Record, with a T-2, T-3, T-4, or T-5 visa category

N. Afghan and Iraqi Special Immigration

1. Passport with an immigrant visa (IV) stamp noting the individual has been admitted under IV category SI1
2. Department of Homeland Security (DHS) stamp or notation on passport for form I-94, Arrival and Departure Record, showing date of entry
3. Form I-551, Permanent Resident Card, with an S16 visa category

O. Spouse of Afghan and Iraqi Special Immigrant

1. Passport with an immigrant visa (IV) stamp noting the individual has been admitted under IV category S12
2. DHS stamp or notation on passport or form I-94 showing date of entry
3. Form I-551, Permanent Resident Card, with an S17 visa category

P. Unmarried Dependent Child of Afghan and Iraqi Special Immigrant

1. Passport with an immigrant visa IV stamp noting the individual has been admitted under IV category S13
2. DHS stamp or notation on passport or form I-94 showing date of entry
3. Form I-551, Permanent Resident Card, with an S17 visa category

Q. Iraqi Special Immigrant under section 1244

1. Passport with an immigrant visa (IV) stamp noting the individual has been admitted under IV category SQ1
2. DHS stamp or notation on passport or form I-94 showing date of entry
3. Form I-551, Permanent Resident Card, with an SQ6 visa category

R. Spouse of Iraqi Special Immigrant under Section 1244

1. Passport with an immigrant visa (IV) stamp noting the individual has been admitted under IV category SQ2
2. DHS stamp or notation on passport or form I-94 showing date of entry
3. Form I-551, Permanent Resident Card, with an SQ7 visa category

S. Unmarried dependent child of Iraqi Special Immigrant under Section 1244

1. Passport with an immigrant visa (IV) stamp noting the individual has been admitted under IV category SQ3
2. DHS stamp or notation on passport or I-94 showing date of entry
3. Form I-551, Permanent Resident Card, with an SQ9 visa category

T. Native Americans born in Canada

1. Form 181M, Ethnicity and Race Identification, Memorandum of Creation of Record of Admission for Lawful Permanent Residence
2. Form I-551, Permanent Resident Card, with an S13 visa category
3. An unexpired I-551 stamp in a Canadian passport
4. Form I-94, Arrival and Departure Record, with an S13 visa category
5. A letter or other tribal document certifying at least 50% American Indian blood combined with a birth certificate or other satisfactory evidence of birth in Canada
6. Form I-185, Canadian border crossing card

U. Other

1. Form I-186, Mexican border crossing card
2. Form SW-434 Mexican border visitor's permit]

The person eligible to apply for benefits on behalf of the child is considered the head of household (HoH).

A. Responsible Adults

If there are two (2) adults present in the home, the second responsible adult must be included in the determination of household size and income if they are:

1. A natural or adoptive parent
2. A stepparent
3. The spouse of the head of household
4. The spouse of an unrelated adult or relative including:
 - a. A person acting in place of a parent
 - b. A legal guardian
 - c. An individual related by blood, marriage, or adoption
 - d. A child of a non-relative, if the non-relative is pursuing legal custody

B. Household Size

If there is a common child of the two (2) adults in the home, the case is considered as one (1) household with all household members included.

Example: The household consists of Sally and Joe who have a child in common. Sally also has a child from a previous relationship and Joe has two (2) children from previous relationship that all live in the same household. The household size is six (6) and all household members are considered in the application.

Example: Peter lives with his maternal aunt May, his uncle by marriage Ben, and two (2) cousins, ages six (6) and eight (8). This is a five (5) person family consisting of two (2) adults and three (3) children.

Example: Aiden lives with an unrelated adult named Lauren, Lauren's husband Will, and their two (2) children. Lauren and Will are pursuing custody of Aiden. This is a five (5) person family consisting of two (2) adults and three (3) children.

C. Establishing Relationships:

The HoH's spouse is always considered a Responsible Adult. When verifying relationships, the Responsible Adult has established a relationship with the child via:

1. Marriage to the HoH
2. Having temporary or permanent legal custody
3. Pursuing legal guardianship
4. Having a common child with the HOH

Example: The household consists of HoH Amber, responsible adult Jean, and HoH's niece that she has custody of. The HoH should be considered as the child's aunt. The relationship between Jean and the niece would be established through marriage to HOH, or if not married, pursuing legal guardianship.

D. [Child Care Exemptions due to Incapacity or Disability]

Special consideration is given to the HOH, their spouse, and related children they are caring for when a parent is disabled or incapacitated and is verified as unable to care for the children. If both parents are in the home and both are verified disabled or incapacitated and unable to care for the children, this policy can be applied to both parents. In these special situations, the case could have three or more included adults in the household.

Work Requirements are not applicable for parents in the home who are disabled or incapacitated and verified as unable to care for the child. The income of parents who are in the home and disabled or incapacitated and verified as unable to care for the child will be counted.

Note: This provision is not allowable for single parent households, or two (2) parent households with both adults being disabled or incapacitated—unless they are residing with another responsible adult who is meeting a qualifying activity.

Example: Jim and Lisa are caring for their 2 grandchildren, Thomas, and Trinity. Also, living in the home is the children's mother, Harper. Lisa applies for CCAP. Because Harper is in the home and is not verified as disabled or incapacitated, the case will deny due to the parent being in the home. Harper would need to be the adult that applied for CCAP.

Example: Jack and Judy are caring for their granddaughter, Melissa. Melissa's mother, Amy, is disabled and verified as unable to care for Melissa. All 4 individuals live in the home together. Judy is applying for CCAP. Because Amy is verified as disabled and unable to care for Melissa, it would be considered a household of 4. Jack and Judy would need to have a qualifying activity. Annie is excluded from this requirement due to her disability and inability to care for her child. The income of all household members is counted.

Example: Charity is a single mom of three (3) children. Charity is verified as disabled and is unable to care for her children. Charity applies for CCAP. CCAP will deny because the adult is not meeting the work requirement or participating in a qualifying activity. If Charity elects to use the initial job search, the household may be awarded up to ninety (90) days of eligibility if initial job search has not been used within the last twelve (12) calendar months. The case will close after the initial job search period has ended.】

Eligible Work Activities

To be eligible for child care assistance, a family must contain:

A. A gainfully employed adult or adults.

Employment means public or private work, permanent or temporary work, or self-employment that is performed for a wage.

1. Single-Parent Households:

Any household which contains only one parent will be required to meet the following guidelines. This includes households where one parent is temporarily absent from the household, see MS 3025.

The requirement for a single-parent family is that they work an average of 20 hours per week. A combination of employment activities can be used to meet the required number of hours.

Example: Christy is a single mother of two (2) children and she is working at a fast-food restaurant twenty five (25) hours per week. Christy meets the work requirement of twenty (20) hours per week.

Example: Sally works at McDonald's and her weekly hours fluctuate. In a four (4) week month, she worked fifteen (15) hours, thirty (30) hours, twenty (20) hours, and sixteen (16) hours. She averages twenty (20) hours a week over a month's time and meets the work requirement.

2. Two-Parent Households

The requirement for two (2) parent families is a combined average of forty (40) hours per week with neither parent working less than an average of five (5) hours a week unless one (1) adult is verified as mentally or physically unable to provide care for the children. In instances where there is an incapacitated parent in the home the work requirement for the non-incapacitated parent is an average of 20 hours per week. The incapacitated parent must provide a doctor's statement verifying that they are unable to care for the child.

Example: Sue and Ted are married and both work. Sue averages fifteen (15) hours per week in an unpaid practicum; Ted averages twenty five (25) hours per week at a paying job. The family meets the work requirement.

Example: Sue and Ted are married. Sue works twenty two (22) hours per week. Ted is off work due to a back injury. He has provided a doctor's statement with his anticipated recovery date and that he is unable to care for the child in the home. This family meets the work requirement.

B. CCAP Work Exemption

An adult who has a verified medical leave and is unable to care for children may qualify for the CCAP work exemption.

This is specific to a two (2) parent household. A two (2) parent household is required to provide a doctor's statement to document that the parent seeking the

work exemption is unable to care for the children and include the expected date of recovery. At the recertification, both parents would need to be participating in a qualifying activity.

Note: Permanent disabilities will only apply in two (2) parent households and must be verified through the Social Security Administration, award letters, or other documentation. The applicant will still be required to provide a statement from a healthcare professional that specifically states their inability to care for the children. Both adults in the home cannot claim permanent disabilities with the inability to care for the children.

C. Initial Job Search

An adult or adults who are seeking employment or engaging in a CCAP job search requirements at initial application may use the initial job search as a qualifying work activity. Applicants must agree to work register in order to participate in an initial job search for a minimum three (3) calendar months in order to receive child care assistance.

A two-parent household could qualify if the unemployed parent “agrees” to work register and participates in job search; and the other parent is working a minimum of an average of twenty (20) hours per week. For these households to continue receiving assistance beyond the initial three (3) months, both parents would be required to meet the combined forty (40) hour work requirement pursuant to current CCAP policy prior to the end of the allowable job search. Neither parent can work less than an average of five (5) hours per week, unless one parent is disabled and cannot care for the children.

Note: Homeless households are eligible for the initial job search when applying for CCAP benefits.

Note: Households may gain initial CCAP eligibility with Job Search for a minimum of three calendar months from the date of application, once in a 12-month period, without meeting the CCAP work requirement.

Note: If one (1) parent or a two (2) parent household is verified disabled and unable to care for the children, the parent seeking employment may qualify to receive CCAP for the children for a minimum of 3 calendar months under this policy.

D. [Work Registration Process

Individuals without a work registration exemption are required to ‘agree’ to work register once every 12 months to be eligible to receive CCAP, through initial job search. Cases where an individual without a work registration exemption declines to “agree” to work register are denied. Work registration exemptions include:

1. Current employment where the applicant in a single parent household is working a minimum of twenty (20) hours per week
2. Current employment where the applicant and the responsible adult are working a combined total of forty (40) hours per week with neither adult working less than five (5) hours per week.
3. At least part-time enrollment in a certified trade school, accredited college, or university.
4. Participation in the Supplemental Nutrition Assistance Program (SNAP) Employment and Training Program (ETP).

5. Participation in the Kentucky Transitional Assistance Program (KTAP) Kentucky Works Program (KWP).
6. Teen parents, under age twenty (20), attending elementary, middle, or high school or attending GED classes.
7. Incapacitation or disability where the affected parent is declared unable to care for their child by a medical professional.
8. Families determined by Protection and Permanency staff as needing child care to mitigate risk or prevent future maltreatment.】

E. Unpaid Work

Unpaid work such as a practicum, clinical, internships, student teaching, or job training related to Unemployment Insurance Benefits (UIB) can be used to meet part or all of the work requirement and must be entered on Worker Portal in order for technical requirements to be met. Form PAFS-2, We Need Your Information (RFI), will be issued upon application with form DCC-90L, Student Enrollment and Unpaid Work Verification, to be completed and returned within 30 days. The unpaid work must be a requirement to obtain their degree or receive unemployment benefits.

Example: Joe works fifteen (15) hours per week for a car dealership and has an unpaid internship working ten (10) hours per week. Joe's combined work hours of twenty five (25) hours per week meets the work requirement.

F. Verifying Work Hours

In all circumstances it is the responsibility of the applicant to provide third party verification of the number of hours worked, and if required, of any attendance to an unpaid work setting. The applicant must also verify recent loss of employment if the applicant is on medical leave, or has been separated from their employment or unpaid work activity.

G. Determining Work Hours (Employment)

Calculate the individuals work hours by totaling the hours for all representative periods and dividing them by the number of pay periods considered. Divide that number (the average number of hours per pay period) by the corresponding multiplier on the table below to determine the average hours per week. Once the average number of hours per week has been determined, compare the average to the required work hours below. The client's work hours are not rounded up when being considered for eligibility.

Pay Frequency	Required Work Hours	Multiplier
Weekly	20	4 1/3
Bi-Weekly	40	2 1/6
Semi-Monthly	43.34	2
Monthly	87	N/A

To exclude any pay period from the determination of hours or income, the period must clearly be unrepresentative of ongoing work hours and income. The reason for the exclusion must be thoroughly documented in case comments.

Example: Jane has provided her preceding calendar month check stubs. She is paid bi-weekly and averages twenty (20) hours per week. However, on one (1) check in the preceding calendar month, she was out for a week due to a sick child. If the check is included in the calculation of work hours the client will be ineligible due to not meeting the twenty (20) hour work requirement. Because the missed period of work is not a normal occurrence it should be excluded from the calculation of both work hours and income as non-representative of her ongoing situation.

Example: Jerry has provided his preceding calendar month check stubs. He is paid bi-weekly and typically works 18 hours per week. However, in one period of the prior month, he worked two extra shifts for a co-worker out with a sick child. If the check with the extra hours is included, the client is eligible as his average would be greater than 20 hours per week. The check with the added hours would not be included as it is not representative of the individual's ongoing situation.

Example: Julie works on an as needed basis and has provided a PAFS-700, Verification of Employment and Wages, which verifies her preceding calendar month income. Her work hours fluctuate from fifteen (15) hours to thirty five (35) hours on a regular basis. All periods would be considered in the calculation of work hours and income because the fluctuations are a normal part of her employment and are representative of the ongoing situation.

H. Determining Work Hours (Self Employed)

Self-employment income is income derived from farming, small businesses, rental, roomers or boarders, selling plasma etc., where taxes are NOT withheld PRIOR to the individual receiving pay. When taxes are withheld prior to the individual receiving pay, the income is considered wages.

Countable self-employment hours are calculated by dividing the monthly profit (gross income less allowed expenses) by the minimum wage. The result would be the number of hours worked in a month. The client's work hours are not rounded up when being considered for eligibility.

Pay Frequency	Required Work Hours	Multiplier
Weekly	20	4 1/3
Bi-Weekly	40	2 1/6
Semi-Monthly	43.34	2
Monthly	87	N/A

I. Education

A provision has been made for part-time and full-time students who are NOT meeting the work requirement with employment. This allows them to meet the eligibility requirement with their school enrollment. The student must be enrolled at least part-time in a certified trade school or an accredited college or university and they must be in good standing. See MS 2515 regarding Education Activities.

In situations of a two (2) parent home when one (1) parent is enrolled at least part-time in school, the other parent would still have to meet eligibility requirements through one or more of the following:

1. Employment of at least 20 hours per week.
2. Part-time or full-time education in a certified trade school or accredited college/university.
3. Initial Job Search (allowed once in a twelve-month period.)
4. Participation in SNAP ETP.

J. Supplemental Nutrition Assistance Program (SNAP) Employment and Training Program (ETP)

Clients can also meet CCAP eligibility with a SNAP ETP assessment or by participating in the program. SNAP ETP is a program that helps SNAP participants gain skills, training or work experience to increase their ability to obtain regular employment that leads to economic self-sufficiency.

K. Technical Eligibility Hierarchy

CCAP will follow a hierarchy in the order listed below when approving an individual or transitioning between one technical eligibility requirement to another.

1. Working required minimum number of hours.
2. Enrolled part-time or full-time in certain school types.
3. Assessed or participating or has a good cause for not participating in SNAP ETP.
4. In situations of a two (2) parent home when one (1) parent is participating in SNAP ETP, the other parent would still have to meet eligibility requirements through one or more of the following:
 - a. Employment of at least twenty (20) hours per week.
 - b. Part-time or full-time education in a certified trade school or accredited college/university.
 - c. Initial Job Search (allowed once in a 12-month period).
 - d. Participation in SNAP ETP.

L. Child Care Employee Exclusion

The Child Care Employee Income Exclusion is a provision for individuals applying for CCAP that are employed in child care.

This "Protected Population" applying for CCAP, that meet all technical eligibility requirements and have verified paid employment of at least 20 hours per week in a CHFS Regulated Licensed or Certified child care program will be eligible to have ALL household income excluded from the CCAP application process.

The CCAP application process has not been modified, with the exception that all household income is excluded, thus making CCAP eligibility available to those employed in child care that may have been previously denied due to income barriers.

Guidelines:

1. Verified paid employment of at least twenty (20) hours per week must be with a CHFS Regulated Licensed or Certified child care provider.
2. All earned and unearned household income is excluded for this "Protected Population".
3. CCAP work requirements, SNAP ETP, and training and education, as well as all other technical eligibility requirements still apply for the household, responsible adults, and parents.
4. **[**The Child Care Employee Income Exclusion is not applicable for contracted employees. Contracted employees are seasonal workers, or independent contractors, or freelancers who offer services for hire who may work for the business but do not have direct contact with the children.

Example: Mark is a seasonal landscaper for Kiddie Academy, and works twenty (20) hours per week between the months of March and October. Mark is not eligible to receive the income exclusion because he is a contract employee.

Example: Alexis is a teacher in the toddler room at Kiddie Academy, she has an employment contract with Kiddie Academy that states she works forty (40) hours per week between the months of July through June. Although Alexis has an employment contract, she is not considered a contracted employee and is eligible for the exclusion.]

5. Center owners and co-owners are eligible for CCAP benefits, but their children must attend another facility as they are the entity being reimbursed.
6. All existing mandatory verifications are still applicable and failure to provide these timely may result in denial discontinuance.
7. Families receiving child care assistance under this provision will not have a family co-payment as their monthly income is assessed at zero.
8. Families would still be responsible for any overages assessed by the child care provider, if applicable.
9. This provision is not limited to new CCAP applicants. Employees with active CCAP eligibility that are currently being assessed a family co-payment are eligible for the income exclusion. The employee would need to contact DCBS to report a case change to have the exclusion added.
10. **[**Parents, guardians, or responsible adults may not work in the same classroom as their child.
11. If an approved employee terminates their employment with the provider, or their paid work hours drop below twenty (20) per week, the Child Care Employee Exclusion ends, the household income will no longer be excluded and the CCAP case will revert to an income based CCAP application.

Note: Child care employees who are also public or private school employees **MUST** have their income records entered **separately** even if their status as a teacher and a child care employee are covered under the same contract.

Example: Laura is a Kindergarten teacher at Wayside school. Laura also works for the child care center located on school grounds. Laura has one

employment contract stating that she is required to work forty (40) hours per week year round. The document specifies that she spends 20 hours of her contracted employment hours per week in the Kindergarten classroom and 20 hours of her employment hours per week in the child care center. Two income records should be entered for Laura, one for her employment as a Kindergarten teacher and another for her role as a child care employee.

Example: Minerva is an Applied Behavior Analysis (ABA) therapist employed by the local school board. Minerva has a contract for her role as an ABA therapist and she spends eighty (80) hours per month working with the special education programs in the district. Minerva also works part time as an assistant teacher in the toddler room at Wayside Child Care Center. Minerva has an additional employment contract with the local school board for this role. Minerva should have two income records entered, one for her employment as an ABA therapist and one for her role as a child care employee.]

Volume 8 — Child Care Assistance Program (CCAP)

Work Requirement Exceptions

MS 3045

(1)

[A recipient's CCAP eligibility may be maintained during a non-temporary cessation of employment or training. CCAP can remain active for up to three (3) calendar months or the last day of certification period, whichever comes first. Job search in change is utilized when a client with an **approved** CCAP case, reports a non-temporary change in which they are no longer meeting eligibility requirements via employment, or training. The up to three (3) month job search in change period is calculated from the 1st day of the following month from the activity end date.]

Teen parents who are attending elementary, middle, or high school or pursuing a GED are not required to work in the summer to receive child care assistance as long as they intend to return to school.

[Example: Maria and David are receiving CCAP for their sons, Michael and Steven. Maria reports that they have decided that David should be a "stay at home" dad. This is a non-temporary change as David does not intend to return to work. They will receive job search in change for up to three (3) calendar months or until the end of her certification period, whichever occurs first.]

If a recipient fails to make contact or becomes ineligible for services, the system will generate form DCC-105 Child Care Denial and Discontinuance Notice to the recipient and provider to reflect the case is being discontinued due to no eligibility.

[A non-temporary change **will** adversely impact a case after initial or recert approval, if the recipient is not compliant with work requirements by the end of the job search in change period.]

An increase in income following an initial or recert approval will **not** adversely affect eligibility unless the income is above 85% SMI.

Volume 8 — Child Care Assistance Program (CCAP)
Technically Ineligible Families
MS 3050

(1)

Families are not eligible for CCAP benefits if care is provided by:

- A. A natural or adoptive parent.
- B. A stepparent.
- C. A caretaker, relative or spouse or a caretaker or relative.
- D. A legal guardian or spouse of the legal guardian.
- E. A person living in the same residence as the child.
- F. A member of the KTAP or SNAP case in which the child is included.
- G. A provider who is not licensed, certified, or registered.
- H. Another child care provider, if the family operates a child care business in its home.
- I. An alternative program such as Head Start (unless participating in a wraparound program), public preschool or kindergarten.

[Parents that are employed in a CHFS regulated (licensed or certified) program can have their child or children attend at the same location, even if they are a primary caregiver in their child's room.]

Center owners and Co-owners are eligible for CCAP benefits, but their children must attend another facility as they are the entity being reimbursed by DCBS.

Certified and Registered Relative Child Care Providers are not eligible for CCAP due to running a child care business out of their home.】

Volume 8 — Child Care Assistance Program (CCAP)

Excluded Income

MS 3500

(1)

Excluded income is money received by the family but not considered in determining gross income. The following is a list of income, which is excluded:

- A. All earned income received by a child.
- B. Supplemental Security Income (SSI) for a child.
- C. [KTAP child only payments, including back payments.]
- D. Kinship Care payments, including back payments.
- E. Educational grants, loans, scholarships, and work study income.
- F. Kentucky Works supportive services payments.
- G. The value of United States Department of Agriculture food program benefits.
- H. Supplemental Nutrition Assistance Program (SNAP) benefits.
- I. Payments made directly to a third (3rd) party such as a doctor, pharmacist, landlord, utility provider, etc. by another individual or organization on behalf of a family member for which no work was performed; or unless the money is legally obligated to the client such as court ordered child support.
- J. In-kind income.
- K. Transportation reimbursements for an employment related duty.
- L. Non-emergency medical transportation payments.
- M. Monies received from federal disaster and state disaster assistance.
- N. Home produce utilized for household consumption.
- O. Highway relocation assistance.
- P. Urban renewal assistance.
- Q. Housing subsidies received from state, federal, or local governments even if paid directly to the recipient. This does not apply to Basic Allowance for Housing (BAH) payments as these payments are legally obligated to the household. BAH payments shown on the Leave and Earnings Statement (LES) are countable income.
- R. Funds distributed to certain Indian tribes.
- S. Supportive services and reimbursements to individuals volunteering as Senior Health Aides or members of the Service Corps of Retired Executives or Active Corps of Executives.
- T. If less than the minimum wage, payments made to an individual in the Volunteers in Service to America (VISTA), Foster Grandparents, Retired and Senior Volunteer Program, or Senior Companion Program.
- U. Any payment made by the Division of Protection and Permanency for child foster care, foster care, or personal care assistance.
- V. [Low-Income Home Energy Assistance Program (LIHEAP) and other energy assistance payments.]

- W. The principal of a verified loan.
- X. Up to \$12,000 to Aleutians and up to \$20,000 to individuals of Japanese ancestry for payments made by the United States Government to compensate for hardships experienced during World War II. (All recipients of this income are provided with written verification by the U.S. Government.)
- Y. Payments made from the Agent Orange Settlement Fund (a one-time only payment).
- Z. Earned Income Tax Credit (EIC) payments.
- AA. Any payments received from the Radiation Exposure Compensation Trust Fund.
- BB. Payments made to individuals because of their status as victims of Nazi persecution.
- CC. Income received from temporary employment from the United States Department of Commerce, Bureau of the Census.
- DD. Payments made from Crime Victims Funds in accordance with Section 234 of the Antiterrorism and Effective Death Penalty Act of 1996.
- EE. Loan assistance through the Farm Service Agency (FSA EM) pursuant to Section 321(a) of the Consolidated Farm and Rural Development Act.
- FF. Section 401 of the Veterans Benefits and Health Care Improvement Act of 2000, Public Law 106-419, provided for certain benefits for individuals with covered birth defects who are the natural children of women veterans who served in Vietnam during the Vietnam era. There is no age limit for recipients of these benefits. These individuals receive the benefits until they die.
- GG. A discount or subsidy provided to Medicare beneficiaries pursuant to Section 1860D-31(g)(6) of the Social Security Act.
- HH. Cash grants under the Department of State or Department of Justice Reception and Placement Programs.
- II. Vocational rehabilitation reimbursements for an individual participating in Preparing Adults for Competitive Employment.
- JJ. Income which is received as a non-recurring lump sum payment. This would include income lottery winnings.
- KK. Income or earnings from a program funded under the Workforce Innovation and Opportunity Act (WIOA) such as Job Corp.
- LL. Vendor Payment – payments made DIRECTLY to a doctor, pharmacist, landlord, utility provider, etc. by another individual or organization. The includes Home Energy Assistance (HEA) from private and public organizations or individuals.
- MM. Payments from the Tobacco Settlement.
- NN. Cash grants provided by refugee assistance programs.
- OO. Reimbursement payments for an individual participating in the Vocational Rehabilitation Preparing Adults for Competitive Employment program.
- PP. Payments received from World War II Filipino Veterans Equity Compensation Fund.
- QQ. Discounts or subsidies provided to Medicare beneficiaries.

- RR. Michelle P. Waiver (Income is being received by the parent to care for their child.) These hours worked can be counted towards work or employment hours, but the income is excluded.
- SS. Interest and dividend income, unless derived from a corporate business.
- TT. Small nonrecurring cash gifts (e.g. Christmas, birthdays and graduation), or \$30 or less but not totaling more than \$30 per month for each member of the assistance group.
- UU. [Tuition, books, fees and supplies associated with veteran's education training, paid through the Department of Veterans Affairs Vocational Rehabilitation Program (Title 30 U.S.C. Chapter 31) or paid through the Department of Veterans Affairs, Veteran Readiness and Employment (Title 30 U.S.C. Chapter 33 Post-9/11 GI Bill).
- VV. Payments or reimbursements received for clergy housing.]

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Countable Income

MS 3505

(1)

Countable income is any money received by any individual of an applicant's household which is not excluded and can reasonably be anticipated to continue. Countable income can be earned income from employment, tips, self-employment, contract or rental income. Countable income can be unearned income from child support, Social Security Income (SSI) for adult members only, Retirement Survivors and Disability Insurance (RSDI), Unemployment Insurance Benefit (UIB), retirement and pensions, VA Compensation paid by the Department of Veterans Affairs Vocational Rehabilitation Program (Title 38 U.S.C. Chapter 31) or any other form of income for which no work is performed and which the household receives on a regular and ongoing basis. All countable income must be verified and documented at each application, recertification, and at any anticipated, known, reported, or suspected change in the household's income.

If a recipient is receiving less money than they are entitled to due to an overpayment, the amount received is countable income.

Note: Michelle P. Waiver income would be counted if the income is received by a client working for a Michelle P. Waiver family.

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Earned Income: Taxed Wages

MS 3510

(1)

Taxed wages are any income from full-time or part-time employment where the individual's portion of taxes is withheld by the employer prior to being paid to an individual. Tip income, odd jobs, occasional, seasonal, or contract employment is all included as taxed wages when taxes are withheld prior to receipt of the income.

Consider income derived from rental property as earned income for the earned income deduction only if a member of the household is actively engaged in the management of the property at least an average of twenty (20) hours per week. If the twenty (20) hours per week criteria is not met, the net income is considered unearned. Whether the income is considered earned or unearned, exclude the cost of doing business.

Note: S Corporation – Any “wages” (in which taxes are withheld) that the household receives from the corporation are entered as earned income. Wages are most often reflected on the individual income tax return which includes: wages, salaries, tips, etc.

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Verification of Taxed Wages

MS 3515

(1)

A. Prior Two (2) Calendar Months Income

For an individual with the prior two (2) calendar months of unchanged work history with their current employer; verify actual gross income received by the individual for all pay periods in the last two (2) calendar month preceding the month of application.

B. Employer Anticipated Wages

For an individual with new employment or with less than one (1) month of unchanged work history obtain verification of the estimated work hours and rate of pay the employer expects the individual will be working. If information is returned by an individual which indicates a recent change in work hours or pay the worker may use employer anticipated amounts or some form of alternate calculation as detailed below.

C. Alternate Verification

In many circumstance it may be necessary to use verification other than the preceding calendar month or the employer anticipated amounts to correctly anticipate an individual's representative income. Alternate forms of verification can include a current month, partial prior month, or some combination of these. Whenever an alternate source of verification is obtained and used it is required that case history comments be entered to explain the type of and reason for the alternate verification.

D. Tip Income

Countable tip income is monies received in addition to wages for services performed by the employee. Countable tip income includes the allocated or tip credit reported by the employer for tax purposes which may appear on the paycheck stub.

Tip income may be verified by:

1. Using the individual's daily tip log of actual tips received. A tip log is any record kept by the individual of tips received each day that shows date of receipt and amount.
2. Using the allocated tip or tip credit amount shown on the paycheck stub.

For new applications or new tip income when verification is not available, use the individual's statement of anticipated tips. When tip income is reported, advise the individual of his/her responsibility of maintaining a daily tip log or obtaining third party verification of tip income.

E. Contract Income

Contract income is any taxed income for which the individual has a signed employment contract which has specific terms regarding the amount of pay that an individual will be paid over a specified period of time or for completion of specified tasks, duties or projects.

Contract income is verified by a copy of the individual's current employment contract.

F. Ended Taxed Wages

If an individual reports a change of employment or the end of a job during the eligibility period the case would pend for loss of employment and new employment if applicable. This would also apply at recertification. If there is a job loss or reduction of hours the client would receive an up to three (3) calendar month grace period, known as Job Search in Change, due to the interruption in work.

G. Acceptable Forms of Verification

All countable taxed wages are to be verified at each application, recertification, and at any known, anticipated, reported, or suspected change in income.

The following types of verification may be used to verify wages:

1. Copies of actual check stubs received.
2. Form PAFS-700 Verification of Employment and Wages signed and completed by an employer.
3. Written statement from the employer.
4. Employer printout of actual wages received.
5. Eligibility Advisor.
6. Collateral Contact.
7. Employment Contract.
8. Tip logs. (The individual's statement may only be accepted for initial application or at the beginning of new employment with tip income.)

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Calculation of Taxed Wages

MS 3520

(1)

A. Using actual income

The following procedures are to be used when calculating income using actual income amounts whether for the prior two (2) calendar months or for an alternate verification source.

1. Do NOT round cents before adding or multiplying hourly or daily earnings. Round all cents before adding or multiplying weekly, biweekly, semi-monthly, quarterly, or annual amount.
2. Only income which is representative of ongoing income is to be included in the calculation.
3. Determine the average amount of income received per pay period by totaling the income from all representative pay periods and dividing the total by the total number of pay periods.
4. Determine average monthly income by multiplying the average amount received per pay period by the appropriate multiplier below. Round the monthly amount to the nearest dollar.

Monthly Income Multipliers

Pay Frequency	Multiplier
Weekly	4 1/3
Bi-Weekly	2 1/6
Semi-Monthly	2
Monthly	N/A

B. Using employer anticipated income

If an individual has recently started a job, has not received two (2) calendar months of wages, or past wages are not reflective of current income, the monthly anticipated income is determined in the following manner.

1. Multiply the hourly rate of pay by the estimated number of hours to be worked in a pay period to determine the average income per pay period.
2. Multiply the average income per pay period by the appropriate multiplier as identified in the Monthly Income Multiplier Table above.

C. Calculating tip income

Calculate tip income in the following manner:

1. Use the same time period used in determining the monthly amount of earned income for determining tip income (e.g., if income is determined by using the prior two (2) calendar months wages, then use the tip amounts from the prior two (2) calendar months shown on the daily tip log or use the allocated tip or tip credit amount shown on the paycheck stub).
2. If daily tip log is used, add the monthly tip income to the calculated monthly earned income for the total monthly wages.
3. If using an individual's statement of tips, determine the average amount of tips received per pay period and multiply that amount by the correct multiplier above.

D. Calculating contract income

Not every school employee is a contract employee.

1. Annualize income which is governed by a verbal or written contract or payment agreement. This applies even if the income is received in less than twelve (12) months. Begin to annualize income when the first month payment is received.

Example: Contract stipulates \$10,000 for one (1) year. This income is annualized. The system should count \$833 per month.

Example: Contract stipulates \$10,000 for one (1) year and is based on an hourly rate. The employee's contract is based on the number of hours expected and the hourly wage agreed upon to determine the annual gross amount. The employee will not receive any more or less than the total gross no matter how many hours they work. It is a set, agreed upon amount and will not go up or down without another contract. This income is also annualized. The system should count \$833 per month.

2. Do not authorize income which is received on an hourly or piecework basis that is not governed by a written or verbal contract.

Example: Contract stipulates the recipient is to be paid an hourly amount with no annual limit established. This income is not annualized, but is prorated over the period of time the income is intended to cover.

3. For contract wages, other than school employees, who are governed by a written contract or payment agreement, divide the income over the amount of time the contract stipulates.

Example: Contract stipulates the recipient is to be paid \$1,200 for six (6) months, beginning January 1st and ending June 30th. After six (6) months the contract ends and no additional wages will be received unless a new contract is signed. The wages would be averaged for six (6) months beginning the first month the payment is received.

Example: Contract stipulates the recipient is to be paid \$36,000 for eighteen (18) months, beginning March 1st and ending August 31st. After eighteen (18) months the contract ends and no additional wages will be received unless a new contract is signed. The wages would be averaged for eighteen (18) months beginning the first month the payment is received.

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Special Considerations with Taxed Wages

MS 3525

(1)

- A. Exclude identifiable reimbursements for transportation in performance of duties, if they are identifiable.
- B. DO NOT deduct garnishments on salary.
- C. Consider living allowances (stipends) paid by programs established under the National and Community Services Trust Act of 1993 (such as AmeriCorps) as earned income.
- D. Consider all VISTA payments paid through AmeriCorps that equal or exceed the minimum wage, as earned income; exclude all income less than minimum wage. To determine if the VISTA payment equals or exceeds the applicable minimum wage, send a written request to: State Director of ACTION, 600 Federal Place, Room 372-D, Louisville, Ky. 40202.

Note Also, reference MS 3045 work requirements for low-income working families.

An individual is considered to be self-employed when they are working in their own business, trade or profession, rather than working for an employer. Self-employment income is ANY income paid to an individual for products or services from which NO taxes are withheld PRIOR to receipt of income by the individual. If Social Security and income taxes are being withheld by an employer, the individual is not self-employed. Self-employment income may be received annually, or monthly, or it may fluctuate, as in a seasonal self-employment activity.

The following are some common types of self-employment:

- A. Small business owners such as grocers, hobby shops, restaurants, etc.
- B. Individuals who subcontract skills or labor to another person or entity who does not withhold taxes such as carpenters, painters, performers, etc.
 - 1. These individuals may or may not receive a Form 1099 for tax filing purposes.
 - 2. Many subcontractors may work for another individual or company on an ongoing basis but if the employer does not withhold taxes the then the employee is self-employed.

Example: Jonah works for Smith & Johnson Home Builders as a carpenter. He has been working for the company for a period of 8 years. When Jonah returns his verification of income from the company they have indicated that they do not withhold taxes from Jonah's check. Jonah is self-employed and the verification from Smith and Johnson is insufficient. Jonah will need to provide verification of his income as outlined in MS 3535 Verifying of Self-Employment.

- C. Individuals who receive income from farming such as tobacco farmers, some horse farms, and owners of small farms that are operated for profit.
- D. Individuals who receive income from rental property, boarders, or roomers.
- E. Individuals who perform odd jobs, seasonal work, or any activity for which they receive monetary compensation that is not taxed. This would include such activities as hobby activities from which an individual profits, selling plasma, selling aluminum cans or scrap metals, seasonal yard work, etc.

Example: In her spare time Martha works out of her home creating flower arrangements that she sells at a local flea market on weekends to get a little spending money. Martha has been doing this for a period of several years and has not filed taxes on it as she considers it a hobby. This is self-employment income. Martha will be required to provide verification of the income as outlined in MS 3535 Verification of Self-Employment.

- F. **[S Corporation – Any "distributions" that the household receives from the corporation must be entered as self-employment earned income. Although entered as self-employment, this is not considered self-employment. No other expenses should be entered.]**

Distributions are most often reflected on the individual income tax return line which includes: rental real estate, royalties, partnership, and S Corporations.

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Verification of Self-Employment Income

MS 3535

(1)

A. Established self-employment

The business records of the self-employment activity are the primary source of verification of self-employment income. Acceptable sources of verification include, but are not limited to:

1. Statements of an outside accountant.
2. Ledger books, records or receipts maintained by the applicant.
3. Information from the most recent IRS tax forms.
4. PAFS-121, Irregular Work Form.

When using tax records to verify self-employment income and deductions it is important that Department for Community Based Services (DCBS) staff gather information from the correct forms. Most self-employed individuals will have a Form 1040 Schedule C, C-EZ, E, or F. The type of form is based upon the nature of the self-employment. These forms are to be used to determine the income and deductions for the self-employment. DO NOT use figures from Form 1040 such as business or farm income or (loss) or adjusted gross income. It is possible for individuals to have more than one of these forms as one must be completed for each self-employment in which that individual is engaged.

B. New Self-Employment

If an applicant has just started a new business, the applicant's statement of gross income may be accepted as a last alternative **only** if no business or tax records are available. This statement shall **not** be accepted for operating expenses. If the DCBS staff accepts the applicant's signed, written statement of gross income, the reason the applicant has no business records must be documented. In addition, DCBS staff advises the applicant that at subsequent case changes and recertification it will be necessary to provide adequate business records to establish income in order to continue to receive services.

C. End of Self-Employment Income

Self-employment income may only be ended when an individual is no longer actively pursuing and does not anticipate any future income from self-employment. Reductions in income as a result of seasonal or market fluctuations do not constitute an end to the income unless the individual has no intent of pursuing further income from the self-employment. The individual's written statement may be accepted for the end of income unless there is a documented reason requiring additional information.

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Calculation of Self-Employment Income

MS 3540

(1)

The amount of self-employment that is countable to an individual is the total amount of earnings before deductions, reduced by any verified allowable operational expenses, which are listed below. Self-employment income will be counted and verified for the period in which it was received. Reported allowable deductions must be verified. Failure to verify will result in CCAP denial or discontinuance.

Note: Monthly hours = Gross income minus the verified allowable deductions divided by the Federal minimum wage. The Federal minimum wage can be verified at: <https://www.dol.gov/general/topic/wages>

Self-employment income remains countable as long as the individual is actively involved in or pursuing income from the self-employment, regardless of market and seasonal fluctuations.

Example: Jonah subcontracts as a carpenter with a home builder. He has provided his income taxes for the prior year which have been used to determine his income. During his eligibility period Jonah contacts the Department for Community Based Services (DCBS) Family Support staff to report a reduction in his income. The DCBS Family Support staff determines that Jonah is still working as a carpenter and that his income is reduced currently due to weather conditions and because the builder has not had any work for him. Due to the fact that these are seasonal and market fluctuations with self-employment, no change would be made to the case.

A. Self-employment in operation for more than a year

If the self-employment has been in operation for at least one year, the DCBS Family Support staff will enter the verified gross income and verified allowable deductions for the last calendar year into the Worker Portal.

Note: The calculation method to determine self-employment hours still applies.

B. Self-employment in operation for less than a year

If the self-employment has been in operation for less than a year the DCBS Family Support staff will need to determine the number of months that the individual has been involved in the self-employment. After rounding, divide the gross income by the number of months the business has been in operation. Do round. This is the gross monthly income. After rounding, divide the verified allowable deductions by the number of months of operation. Do round. This is the monthly deductions for self-employment. Subtract the monthly deductions from monthly income. The difference is the countable, net income, or profit.

Note: Calculation method to determine self-employment hours still applies.

C. Operational expenses

Operational expenses are the cost of carrying on a trade or business. To be deductible, an operational expense must be connected with or pertaining to a trade business.

Depreciation, although allowed by the (IRS) as a deduction, is not allowable deductions for purposes of determining eligibility for subsidized child care.

A mileage deduction equivalent to the current business IRS mileage rate, accessed at: <https://www.irs.gov/newsroom/> or the mileage amount shown on

the federal tax return, if the person uses his/her private vehicle in the performance of the self-employment site if other than where the client lives. If the mileage rate fluctuates, determine the average rate for the quarters in which transportation expenses are claimed.

D. Allowable deductions for non-farm business

The following list indicates the non-farm business expenses allowed by the IRS which are deductible for determination of eligibility:

1. Advertising.
2. Car and truck expenses.
3. Commissions and fees.
4. Contract labor.
5. Employee benefit programs.
6. Insurance (other than health).
7. Interest (mortgage and/or other).
8. Legal and professional services.
9. Office expenses.
10. Pension and profit-sharing plans.
11. Rent or lease of vehicles, machinery and equipment and other business property.
12. Repairs and maintenance.
13. Supplies.
14. Taxes and licenses.
15. Travel, meals and entertainment.
16. Utilities.
17. Wages (less employment credits).
18. Other expenses.
19. Expenses for business use of the applicant's home.
20. Depletions.

E. Allowable deductions for farm income

The following list indicates the farm expenses allowed by the IRS which are deductible for determination of eligibility:

1. Car and truck expenses.
2. Chemicals.
3. Conservation expenses.
4. Custom hire (machine work).
5. Benefit Programs.

6. Feed.
7. Fertilizer and lime.
8. Freight and trucking.
9. Gasoline, fuel and oil.
10. Insurance (other than health).
11. Interest (mortgage and/or other).
12. Labor hired (less employment credits).
13. Pension and profit-sharing plans.
14. Rent or lease expenses (vehicles, machinery, equipment and other land, animals, etc.)
15. Repairs and maintenance.
16. Seeds and plants.
17. Storage and warehousing.
18. Supplies.
19. Taxes.
20. Utilities.
21. Veterinary, breeding and medicine.
22. Other expenses (such as accounting/record keeping fees, attorney fees or advertising).
23. Depletions.

F. **【Verifying self-employment deductions**

1. Self-employment deductions must be verified by a current income tax return with a Schedule C or personal records showing income and copies of receipts for deductions being considered.
2. For CCAP, if an expense is reported and not verified by the RFI due date, the budget uses the after RFI due date calculation as this is not an optional RFI for CCAP and CCAP is denied.】

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Unearned Income

MS 3545

(1)

Unearned income is any money paid to the household for which no work is performed. Consider the following unearned income if received by any member of the household, including children.

- A. Child Support payments paid to the household whether paid directly to the household by the individual or through the Division of Child Support Enforcement.
- B. Supplemental Security Income (SSI) payments made to any adult in the household from the Social Security Administration (SSA). Count the actual amount of the SSI received by the individual.
- C. Retirement, Survivors and Disability Insurance (RSDI) payments made to any member of the household from the Social Security Administration (SSA). Count the gross amount of RSDI before the deduction for the SMI premium.
- D. Annuities, (Prorate over twelve (12) months).
- E. Lottery winnings paid annually, (Prorate over twelve (12) months).
- F. Pensions.
- G. Retirement payments.
- H. Veteran's or disability benefits, including Agent Orange payments issued by the Department of Veterans Affairs.
- I. Worker's compensation.
- J. Unemployment insurance benefits.
- K. Strike benefits.
- L. Any portion of KTAP benefits, excluding payee only cases, which do not include the parent in the KTAP case.
- M. Statutory benefits which are due the household but which are diverted to a third party or protective payee for purposes such as managing a household's expenses even if the household has the option of receiving a direct payment.
- N. All money payments from any source which can be construed as a gain or benefit, including, but not limited to royalties and payments from government sponsored programs unless otherwise excluded.
- O. Any dividends the household receives from an S corporation are considered as unearned income. Dividends are most often reflected on the individual income tax return line which includes Ordinary/qualified dividends.
- P. Contributions made to the household from individuals not living with the family.
- Q. Monies that are legally obligated and otherwise payable to the household, but which are diverted by the provider of the payment to a third party for household expenses are counted as income. The distinction is whether the person or organization making the payment on behalf of a household is using funds that otherwise are payable to the household. If an employer, or agency who owes these funds to a household diverts them instead to a third party to pay for a household expense, these payments are still counted as income to the household (e.g., garnishment on wages).

Note: Consider income derived from rental property as earned income for the earned income deduction only if a member of the household is actively engaged in the management of the property at least an average of twenty (20) hours per week. If the twenty (20) hours per week criteria is not met, the net income is considered unearned. Whether the income is considered earned or unearned, exclude the cost of doing business.

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Verification of Unearned Income

MS 3550

(1)

Use the following types of documentation for unearned income:

- A. Award letters or verification forms from Social Security.
- B. Job service card.
- C. Company pension statement.
- D. Internal Revenue Service records.
- E. Veterans records.
- F. Railroad Retirement records.
- G. Support orders.
- H. Union records.
- I. Kentucky Information Management System (KYIMS) Program 39.
- J. Contract on sale of property.
- K. Bank statements.
- L. Statement or copy of checks from the non-custodial parent for support payments.
- M. Statement from the person or entity providing income to the client.

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Calculation of Unearned Income

MS 3555

(1)

The gross monthly amount of unearned income types is countable, regardless of the amount issued to the individual.

- A. Do NOT round cents before adding or multiplying hourly or daily earnings. Round all cents before adding or multiplying weekly, bi-weekly, semi-monthly, quarterly, or annual earning. This policy also applies to child support deductions.

Note: Workers are to average the amounts and round at the end.

Note: When calculating gross or net monthly income and deductions, round the monthly amounts to the nearest dollar.

- B. For unearned income which is received on a weekly, bi-weekly, or semi-monthly basis convert the income to a monthly amount by multiplying the amount received in each period by the correct multiplier as shown in the table below.

Pay Frequency	Multiplier
Weekly	4 1/3
Bi-Weekly	2 1/6
Semi-Monthly	2
Monthly	n/a

- C. If monthly income fluctuates, average the amounts received in the prior three (3) calendar months unless it does not represent the ongoing circumstances.

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Child Support and Spousal Support

MS 3560

(1)

Count child support or spousal support payments made directly to the household by non-household members or by the Division of Child Support (DCS) as income.

Child and spousal support income is the amount of legally established or voluntary child or spousal support regularly received by the family. Voluntary payments are those amounts made by a legal, alleged, or adjudicated parent when there is no court order for support. Any amount of a military allotment designated as child or spousal support is considered as child or spousal support.

Child support income is considered in the child care assistance case and attributed to the child as income.

A. The following may be used to verify child support income:

1. Child Support Enforcement (CSE) External Search.
2. A printout from the entity which issues the payments.
3. A written statement as verification from the non-custodial parent of the child support that is paid voluntarily.
4. Collateral contact with the person or entity from whom the payments are received. Contact information for the person or entity must be documented in case comments.
5. A client-provided ReliaCard statement.

If an individual cannot obtain verification of child support income due to an uncooperative non-custodial parent or an unreasonable cost associated with obtaining the verification, the individual's statement may be accepted upon first being reported. Check stubs, bank statements, the Worker Portal, or other documentary evidence can be used to support the client's statement in this instance but cannot be used as primary verification. For any subsequent actions the individual must maintain a record, log, and any other available documentary evidence as verification.

Note: Comments must be entered to document the reason for accepting the individual's statement and that the individual has been informed of the requirement to maintain a record for future case actions.

B. To calculate the monthly amount of child support:

1. If representative of the ongoing amount of child support; manually calculate the total amount of child support for the three (3) prior months, round the amount and then enter it for the child or children it is intended.

Note: The system will not round these amounts and it must be completed manually.

Example: In the prior three (3) months the non-custodial parent paid the following amounts. Prior month 1 - \$100, Prior month 2 - \$0.00, Prior month 3 - \$200. The income from all three (3) months would be totaled to \$300 and divided by three (3) months for an average monthly income of \$100 of countable income.

2. If not representative, (e.g., received less than three (3) months, reduction in amount paid; etc.); use the monthly amount that best represents the ongoing child support income. For Child Support income which is received on a weekly, bi-weekly, or semi-monthly basis convert the income to a monthly amount by multiplying the amount received in the representative periods by the correct multiplier as shown in the table below.

Pay Frequency	Multiplier
Weekly	4 1/3
Bi-Weekly	2 1/6
Semi-Monthly	2
Monthly	N/A

C. Ending child support

1. Court ordered support: regularly received

Child support which is court ordered and is received on a regular basis can be ended when verification has been provided which shows:

- a. Change in court order.
- b. Incarceration of the Non-Custodial Parent (NCP).
- c. Death of NCP.
- d. Other circumstance which shows the NCP will no longer be able to make payments.
- e. That no payments have been received in the prior three (3) months.
- f. That the payments have ceased and no new payments have been issued to the client.

2. Court ordered support: irregularly received

Child support which is court ordered and received on an irregular basis can only be ended when verification has been received that no new payments will be issued due to a:

- a. Change in court order.
- b. Incarceration of the Non-Custodial Parent (NCP).
- c. Death of NCP.
- d. Other circumstance which shows the NCP will no longer be able to make payments.
- e. When no payments have been received in the prior three (3) months.

3. Voluntary support:

Support which is paid directly to the recipient by the NCP can be ended when:

- a. A written statement from the NCP has been received that they will no longer be making payments.
- b. Incarceration of the NCP.
- c. Death of NCP.
- d. Other circumstance which shows the NCP will no longer be able to make payments.

Volume 8 — Child Care Assistance Program (CCAP)

Child Support Deduction

MS 3565

(1)

Prior to comparing the family's gross income to the allowed scale for size and type deductions are allowed for actual legally obligated child support payments paid by the head of household or responsible adult to a child living outside the home. The amount of the monthly deduction is determined in the same manner as when calculating the monthly amount or child support. See MS 3560 Child Support and Spousal Support.

Note: The total deduction may not exceed the amount that the individual is legally obligated to pay, regardless of the amount actually paid.

Note: Arrearage payments are not considered as deductions in the CCAP case.

Volume 8 — Child Care Assistance Program (CCAP)
Determining Family Size for Income Eligibility
MS 3570

(1)

[For the purpose of determining eligibility for child care, a family consists of the head of household (HOH), the second responsible adult (RA) if present, and any children under age nineteen (19) and living in the home that the HOH and RA are responsible for the care of. This would not include children that belong to other adults in the home or adults with no established relationship to children applying for CCAP.]

Example: Household consists of Susie, her boyfriend Jed, and Susie's two (2) children, ages three (3) and six (6). Susie needs child care for her children. Susie is the head of household. Family size is three (3) and consists of Susie and her two (2) children. Susie's income is counted.

Example: Household consists of Mary, her husband, Tim, and their two (2) children, ages three (3) and six (6). Mary and Tim need child care for the three (3) year old. Mary is the head of household. Tim is the responsible adult. Family size is four (4) and consists of Mary, Tim, and their two (2) children. Mary and Tim's income is counted.

Example: Household consists of Cindy, Cindy's mom, Hilda, and Cindy's two (2) children, ages three (3) and six (6). Cindy needs child care for her children. Cindy is the head of household. Family size is three (3) and consists of Cindy and her two (2) children. Cindy's income is counted.

Example: Household consists of Jenny, sixteen (16), Connie (Jenny's aunt), Sam (Connie's husband), Otto (Jenny's cousin) and Drew, Jenny's baby. Jenny is a teen parent and needs child care for her baby. Jenny is the head of household. Family size is two (2) and consists of Jenny and Drew. Jenny's income is counted.

Example: Household consists of Mimi, her husband Sam, Tootie, their sixteen (16) year old daughter, and their three (3) month old nephew, Jason. Mimi needs child care for Jason. Mimi is head of household. Sam is the responsible adult. Household size is four (4) and consists of Mimi, Sam, Tootie and Jason. Mimi and Sam's income is counted.

R. 12/17/25 – OMTL-687

Volume 8 — Child Care Assistance Program (CCAP)

Child Care Resource Limits

MS 3580

(1)

[To remain eligible for child care, resources must remain less than 1 million dollars. The CCAP resource limit is not applicable for CCBP or CCRP cases.]

Resources are assets which can be used, to meet basic needs of food, clothing, and shelter, including liquid assets, property, vehicles, etc.

Volume 8 — Child Care Assistance Program (CCAP)

Eligible Providers

MS 4000

(1)

In order to receive payment from the Child Care Assistance Program (CCAP) a provider must be a:

A. Licensed Provider:

Child care facility with a current license issued by the Office of the Inspector General (OIG), Division of Regulated Child Care (DRCC);

B. Certified Provider:

Family child care home provider certified by OIG, DRCC, to care for up to six (6) unrelated children;

C. Registered Relative Child Care Provider:

A relative of the children needing care that is approved and registered by the Division of Child Care (DCC). Enrollments with Registered Relative Child Care Providers can only be initiated by DCC staff.

Note: Families must select a CCAP eligible child care provider. Protection and Permanency (P & P) referral recipients are not eligible to use a registered relative child care provider and must select either a licensed or certified program.

[Note Enrollment request information for parents who choose a Registered Relative Child Care Provider should be documented in the case notes and submitted to the Division of Child Care for action.]

Volume 8 — Child Care Assistance Program (CCAP)
Determining Need for Child Care
MS 4005

(1)

In order to qualify for child care services, the family must need child care for one (1) or more of the following reasons:

- A. To maintain employment.
- B. To support child protective services.
- C. To attend school, if a teen parent.
- D. To attend activities as required participation in Kentucky Works.
- E. To participate in the Supplemental Nutrition Assistance Program (SNAP) Employment and Training Program (ETP).
- F. **【To attend school if enrolled at least 6 credit hours per semester and are pursuing a secondary education in a certified trade school, college, or university.】**

For families who are approved for child care due to employment, services may be provided to cover time spent in both part-time and full-time educational activities.

Child care must accommodate the work and school schedule of the adults and allow for commuting time. Additionally, there may be circumstances that keep the child in care for more hours than usual, such as a child suspended from school, school closed for damages, and snow days.

If a parent works full-time during the third shift (defined as the hours from 11:00 p.m. to 7:00 a.m.), care may be authorized during daytime hours to sleep if all other income and eligibility requirements are met.

For cases approved by the DCBS staff, information provided on form DCC-85, Approval for Child Care Assistance (P&P only), is used to determine the hours and days of the week care is needed.

Volume 8 — Child Care Assistance Program (CCAP)

Schedule Options

MS 4010

(1)

A. Full-Day Care

Is defined as five (5) or more hours per day.

B. Part-Day Care

Is defined as less than five (5) hours per day.

C. School Schedule

For a child that is enrolled in school a school schedule will automatically adjust to cover the child with the provider when school is in session and when school is not in session.

D. [Non-Traditional Hours

Is defined as child care that is provided between the hours of 7:00 PM and 5:00 AM, including the weekend from Friday 7:00 PM through Monday 5:00 AM. When parents request non-traditional care, this request should be documented and detailed in the case notes and the enrollment schedule should have Non-Traditional Hours marked as "Yes".

Example: Joanna works for a local hotel, every weekend she works Saturday morning and will utilize child care. Saturday falls within non-traditional hours, Joanna's enrollments should have Non-Traditional marked as yes, and case notes should reflect it is for Saturday care.

Example: Carolyn works for a local orthodontists office that operates Monday-Friday from 8am to 5pm. Carolyn does not need care for her child outside of her work hours. Carolyn states that her provider told her to ask for a non-traditional schedule. Carolyn's enrollments should have Non-Traditional marked as NO, and case notes should reflect that non-traditional care is not needed.]

Important: Family Support Staff should thoroughly question the client during the initial interview regarding their work schedule and needs for child care to ensure the proper schedule is selected. The selected child care provider and needed schedule must be noted in case comments. This information will then be used to complete the enrollment. If the client has not selected a provider at the initial interview, this should be noted as well.

Child care services will be paid according to the parent's schedule. The parent may select services from a licensed, certified, or registered provider. When an individual who is only eligible for part day care requests full day care, it is to be given and the reason documented in the comments. The same applies for additional days per week.

Note: The physical arrival and departure time of each child must be recorded on the DCC-94E Child Care Daily Attendance Record or in a cabinet approved electronic billing system. It is best practice for the parent, guardian, or designated person to complete this record daily, but it is permissible for child care providers to record the daily arrival and departure record for each child. The weekly signature shall be completed by the parent or guardian.

Children that are homeschooled: The Federal Funding for CCAP cannot be used to pay for full day child care services for school-age children when full day public school is available. Children that are homeschooled should be placed on a traditional "school schedule". The parent would be responsible for the overages if they choose to send their child full days when schools in their area are in session.

The schedule of the adult or child may require the use of more than one (1) provider to meet the need for child care.

Example: Mother works days Monday through Friday and attends college classes three (3) nights per week. Her children attend Cozy Kidz while she works. Their grandmother, a registered provider, watches them in the evening when their mother goes to class. Full day care, Monday through Friday, is authorized for Cozy Kidz. Part day care is authorized three (3) days per week with the grandmother.

Example: Children are school aged and attend a licensed after-school program when school is in session. During Christmas break, they are cared for by their aunt, a registered provider. Part-day care is authorized to the after-school program while school is in session in December. For the two (2) weeks school is out, the aunt is authorized to receive full day payments.

Example: Mother works a fluctuating schedule at McDonald's that includes some weekends. Her children attend an after-school program during the week. On weekends, their aunt, a registered provider, cares for them. Part day care is authorized for the after-school program, and depending on the hours scheduled on the weekends, full day or part day care is authorized for the time spent in the aunt's care.

Volume 8 — Child Care Assistance Program (CCAP)
Child Care Certificate to Access Child Care Services
MS 4020

(1)

Families who are determined eligible for child care services are provided with form [PAFS-3, Information About Your Benefits,] as proof of eligibility. This is used by the client to access child care services from a child care provider. Families approved by Protection & Permanency staff are provided a copy of form DCC-85, Approval for Child Care Assistance, to access child care services.

- A. Families must report the name of their child care provider within thirty (30) days of the child's start date with the provider. A CCAP case will not be discontinued if a provider is not selected, unless the DCBS staff gets returned mail. The case can then be discontinued due to failure to locate.
- B. When the family has chosen an approved provider, the DCBS staff will enter enrollment information on the Worker Portal and generate form DCC-94, Child Care Service Agreement and Certificate. This service agreement confirms enrollment, rates, child cared for, schedules, and family co-payments. Payment cannot be authorized to a provider without their representative signing and returning the service agreement to DCBS staff.

Note: Form DCC-94 must be signed by the client and the child care provider. Electronic signatures are acceptable.

- C. Form DCC-94 has a ten (10) calendar day due date. If form DCC-94 is not returned within twenty (20) calendar days of the enrollment start date, the enrollment will be denied in Worker Portal and the provider will not receive payment.
 - 1. **Untimely Certificates** If form DCC-94 is received untimely and after the enrollment has been denied, the enrollment should be put back on with a new start date that corresponds with the date the certificate was received.
 - 2. **Incomplete Certificates** If a worker receives a partial DCC-94 or it is missing signatures from either the client or the provider, it should be marked "incomplete". This will not immediately deny the enrollment but will send a notice to the client and the provider informing them that further action is needed.

CCBP and CCRP cases are exceptions to this policy: Enrollments on a CCBP and CCRP case should be put back on with the original start date.

- D. Backdated enrollments shall not exceed ninety (90) days, if the client fails to report a child care provider within thirty (30) days of the child's start date with the provider. If case comments verify the client reported a provider timely, but DCBS failed to enter the enrollment, the case should be sent through the chain of command to have the enrollment entered.

Example: The client applied for childcare on 10/15 and the case approved. The client was asked about a child care provider but stated that they didn't have a placement in mind for the child. On 2/15 the client calls back reporting that their provider has not received payment but the child has been attending since 11/1. Backdated enrollment records can be added with an 11/17 start date, instead of the 11/1 reported start date because 11/1 is outside of the ninety (90) day cut off period.

NOTE: The look back period is also applicable when a special circumstance is approved. If no enrollment or provider information is captured, the enrollment start date will not begin more than 90 days from the date when the enrollment information is first reported for the eligibility period unless the special circumstance is being completed as the result of a final order in a hearing or to correct an agency error.

One of the goals of the Child Care Development Fund (CCDF) is to encourage states to provide consumer education information to help parents make informed choices about child care.

[Developmental screenings are used to take a closer look at a child's growth and developmental skills. Families can reach out to "Help Me Grow Kentucky", which is a free, confidential call center for families, health providers, and community service providers offering developmental screenings and connections to local services and learning activities.

Help Me Grow Kentucky can be used to quickly check the child's development and identify the child's strengths as well as areas in which the child may need support. Access this website at:

<http://www.helpmegrowky.com>

To contact Help Me Grow Kentucky call center staff, call 877-616-7388.

As part of the CCAP Application, the parent receives the **Division of Child Care Consumer Education Statement** that informs parents about:

- A. Choosing quality child care and provider types;
- B. Developmental Screenings;]
- C. Rights for children in child care programs and their parents, custodians, or guardians posting and distribution requirements;
- D. The availability of the Public child Care Provider Search:

<https://www.KYNECT.ky.gov>

Volume 8 — Child Care Assistance Program (CCAP)

Required Action on Changes

MS 4500

(1)

Clients are still required to report changes. We want to look more toward stability of the placement of the child. We want to try to ensure that once a child is placed in care that the care is available without interruption.

Note: Co-payments do not increase during the initial eligibility year. However, a co-payment may be decreased due to changes reported by the client.

When a change report is received, the Department for Community Based Services (DCBS) Family Support staff is responsible for:

- A. Requesting information needed to document a reported change on form [PAFS-2 We Need Your Information (RFI).]
- B. Issuing form DCC-94 Child Care Service Agreement and Certificate confirming when benefits increase or decrease, and co-payments decrease.
- C. Issuing form DCC-105 Child Care Denial/Discontinuance Notice; and
- D. Proving all necessary provider documents and notices.

Note: A non-temporary change **may** adversely impact a case after initial application or at recertification if the client is not compliant with CCAP eligibility requirements by the end of the job search in change period. An increase in income following an initial or recertification approval will **not** adversely affect eligibility unless the income is above 85% SMI.

Volume 8 — Child Care Assistance Program (CCAP)

Changes in Eligibility Factors

MS 4505

(1)

- A. [The following changes must be reported no later than ten (10) days after the change occurs:
1. Non-temporary loss or ending of eligible activity.
 2. Monthly income that exceeds 85% of the State Median Income (SMI) for their appropriate household size.
 3. Change in household size.
 4. Change in marital status.
 5. Change in mailing address or residency.
 6. Changes in child care providers or changes in the scheduled hours care is needed.
- B. CCAP households have the right to voluntarily report other changes that may increase benefits or reduce the family co-payment.
- These changes may include:
1. Change in employer.
 2. Increase or decrease in number of work hours.
 3. Decrease in the rate of pay.
 4. Decrease in unearned income.
- C. A non-temporary change **will** adversely impact a case after initial application or at recertification if the client is not compliant with CCAP eligibility requirements by the end of the job search period. An increase in income following an initial or recertification approval will **not** adversely affect eligibility unless the income is above 85% SMI.]

Volume 8 — Child Care Assistance Program (CCAP)

Known Changes Within an Eligibility Period

MS 4510

(1)

- A. Changes are automatically identified for cases in which the age of the recipient impacts eligibility. These include:

1. A child's thirteenth (13th) birthday when special needs are not present.
2. A child's nineteenth (19th) birthday when special needs are present.
3. A teen parent's twentieth (20th) birthday.

NOTE: A twelve (12) year old child turning thirteen (13) and an eighteen (18) year old child turning nineteen (19) will continue to receive child care assistance during the approved twelve (12) month eligibility period. If the application is approved for benefits, the determination is valid for twelve (12) months. The twelve (12) month period begins on the date of application and is valid until twelve (12) months later.

- B. Many times, there are future known or anticipated changes to the recipient's circumstances that impact eligibility.

Depending on the circumstances, Department for Community Based Services (DCBS) Family Support Staff should instruct the recipient of their responsibility to report changes within ten (10) calendar days of them occurring.

Example: Applicant reports at their recertification interview in May that she will not be attending summer school classes and won't need child care services for the time spent at school. She will continue to work for her current employer. She does plan to return to school in the fall and will need care for her children while she attends evening classes. The next term starts September 20. It would be the recipient's responsibility to report the changes within ten (10) days of them occurring.

Example: [Applicant reports at interview that they have a six (6) month probation at work with an anticipated raise date of October 30, that will put her over the 85% SMI. DCBS Family Support Staff should instruct the recipient of their responsibility to report changes within ten (10) calendar days of them occurring.]

- C. Provider Changes

The DCBS Family Support staff takes action on a recipient's request to change a provider.

Payment of services is made only to the provider actually providing care of child. Form DCC-94C, Provider Notification Letter, is issued to the new provider when an enrollment is discontinued.

The recipient is notified to choose a new provider within ten (10) calendar days.

Note: Provider discontinuations must be dated eleven (11) or more calendar days out, as it is required that providers receive a notification ten (10) calendar days before discontinuance.

EXCEPTIONS:

The ten (10) day notification for a provider change is not required

1. Provider closure occurs.
2. Provider License or Certificate is expired.
3. Child abuse is suspected or reported.
4. Provider will not let the child return.
5. Worker error.

[It is permissible for health & safety reasons, to immediately start a new enrollment (if needed), using multiple providers. The only discontinuance effective immediately is for provider closures.]

D. Provider Closures

When services to a provider will cease due to the provider's failure to meet regulatory requirements, notice is sent to the provider. For licensed and certified providers, denial, revocation and suspension notices are generated by the Division of Regulated Child Care (DRCC). For a registered provider who is closed or revoked, Division of Child Care (DCC) staff generates form DCC-108, Notice of Adverse Action for Child Care Providers and Early Care and Education Professionals. The notice is sent by DCC staff to recipients of CCAP advising that a different provider must be chosen. Form DCC-111, Parent Notice of Need to Change Child Care Providers, is used for this purpose.

[In the event of closure of a licensed or certified provider caring for children receiving preventive or protective child care assistance, DCC will provide a list of names of children currently enrolled with the provider under those eligibilities to the Division of Protection and Permanency (DPP).]

Volume 8 — Child Care Assistance Program (CCAP)

Time Frames for Processing Changes

MS 4515

(1)

Changes must be reported within ten (10) calendar days of when the change is known by the recipient. Recipients receiving child care assistance must be given a ten (10) calendar day notice prior to a negative action being taken by DCBS staff. Form DCC-105 is used to notify the recipient of the change and effective date of reduced or discontinued benefits. Failure to report a change timely could result in not receiving benefits they were eligible to receive or erroneous benefits being issued and a subsequent overpayment and possible referral for fraud investigation.

Note: The administratively feasible date for discontinuations is ten (10) days before the end of the month.

Workers enter a reported change the day it is reported and send form [PAFS-2, We Need Your Information (RFI)], and required forms to the recipient requesting verification of the change. Recipients are given ten (10) days from the date the RFI is sent to provide the verification.

A non-temporary change **will** adversely impact a case after initial application if the client is not compliant with CCAP eligibility requirements by the end of the up to 3 (three) month "job search in change" period. An increase in income following an initial or recertification approval will **not** adversely affect eligibility unless the income is above 85% SMI.

The effective date of a change to an active case is dependent on whether it impacts the recipient positively or negatively.

A. Positive Action to a Case

1. For changes that result in a positive action to the case, such as a decrease in co-payment or adding a child, the effective date is the next day.
2. If adding a new member, this will be the date of the change reported to add the new member if all technical and financial eligibility factors are met.
3. For other changes that decrease the co-payment the effective date of the change is the date the change was reported by the recipient if all requested documentation of the change is provided.

Example: A recipient reports on June 19 that the adult will no longer receive alimony payments and provides a letter from the ex-spouse stating payments stopped in May due to a revised court order. Action is taken by the worker on June 25 to remove this income from the case which results in a reduction in the required co-payment. The revised service agreement will indicate a start date of June 26 for the reduced co-payment amount.

Example: A mother and her two (2) children have an active child care assistance case based on her low-income employment. On June 25, the DCBS staff receives a DCC-85 Approval for Child Care Assistance, due to protection needs of one (1) of the children and waiving the copayment. The DCC-85 indicates a start date of May 15. Payment for the month of May has already been made. The revised service agreement will indicate a start date of June 26 for the waived copayment.

B. Negative Action to a Case

Changes reported during the recertification process, the effective day is the first day of the new eligibility period. This date is the interview date if the changes are positive or there are no changes to the case. If there are negative changes to be made, a DCC-105 is sent to the recipient to allow for a ten (10) day notice prior to benefits being decreased. The changes are effective after the ten (10) calendar day notice to the recipient or the first day of the new eligibility period if there is less than ten (10) calendar days left in the current eligibility period.

If the day falls on a weekend or holiday, the next business day is considered the last day prior to action being taken or information provided.

Changes that increase the co-pay after recertification will follow the same logic as at application. It can be reduced, not increased. These changes still need to be reported to the worker.

Case notes are required to indicate any action taken to effect a change in eligibility, need for care, co-payments, or providers. Changes that increase benefits to the recipient, such as the addition of a child or changes that decrease a co-payment obligation, require verification. [Form PAFS-2, We Need Your Information (RFI),] is used to request needed information from the recipient. Reported changes require verification regardless of the impact to the case.

A DCC- 105 Child Care Denial Discontinuance Notice is sent to the recipient and provider.

Volume 8 — Child Care Assistance Program

Required Documentation

MS 4525

(1)

Case notes are required to indicate any action taken to effect a change in eligibility, need for care, co-payments, or providers. Changes that increase benefits to the recipient, such as the addition of a child or changes that decrease a co-payment obligation, require verification. Form [PAFS-2, We Need Your Information (RFI)], is used to request needed information from the recipient.

Reported changes require verification regardless of the impact of the case. Form DCC-105, Child Care Denial or Discontinuance Notice, is sent to the recipient and provider.

An increase in income following an initial or recertification approval will **not** adversely affect eligibility unless the income is above 85% SMI.

Volume 8 — Child Care Assistance Program (CCAP)

Required Actions on Recertification

MS 4530

(1)

At recertification all eligibility factors are reviewed and updated as needed. Any changes in the recipient's situation are verified and considered.

All sources and amounts of income and deductions must be verified at recertification.

Forms required at recertification are:

- A. DCC-90, Application for Subsidized Child Care Assistance.
- B. 【DCC-94, Notice of Change Child Care Service Agreement and Certificate. This is an updated copy of form DCC-94 that verifies continued enrollment and does not require signatures.】

Cases approved by DCBS staff are assigned an eligibility period of twelve (12) months.

R. 10/1/24 – OMTL-656

Volume 8 — Child Care Assistance Program (CCAP)

Co-Payments

MS 5000

(1)

[Family co-payments are determined by the amount of countable income in the household and household size. They are paid directly to the child care provider.

Family co-payments are waived for all Protection and Permanency child care referrals.]

R. 7/1/21 – OMTL-

Volume 8 — Child Care Assistance Program (CCAP)

Court Orders

MS 5005

(1)

If a court orders a parent to pay a portion of the child's child care expenses, that copayment amount shall be made in lieu of the family co-payment. The amount of the court ordered co-payment shall be indicated on the DCC-85 Approval for Child Care Assistance.

R. 7/1/21 – OMTL-

Volume 8 — Child Care Assistance Program (CCAP)

Co-Payment Override

MS 5010

(1)

Co-payment overrides should only be completed to accommodate a court ordered co-payment amount.

Volume 8 — Child Care Assistance Program (CCAP)

Co-Payment Chart

MS 5015

(1)

[Chart is effective 10/1/24. The Family Co-Payment is a per/day amount.]

Gross Income Range	Household of 2	Household of 3	Household of 4	Household of 5	Household of 6	Household of 7	Household of 8
0 - 1599.99	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1,600 - 1,899.99	\$4	\$3	\$2	\$1	\$0	\$0	\$0
1,900 - 2,199.99	\$5	\$4	\$3	\$2	\$1	\$0	\$0
2,200 - 2,499.99	\$6	\$5	\$4	\$3	\$2	\$1	\$0
2,500 - 2,799.99	\$7	\$6	\$5	\$4	\$3	\$2	\$1
2,800 - 3,099.99	\$8	\$7	\$6	\$5	\$4	\$3	\$2
3,100 - 3,399.99	\$9	\$8	\$7	\$6	\$5	\$4	\$3
3,400 - 3,699.99	\$10	\$9	\$8	\$7	\$6	\$5	\$4
3,700 - 3,999.99	\$11	\$10	\$9	\$8	\$7	\$6	\$5
4,000 - 4,299.99	\$12	\$11	\$10	\$9	\$8	\$7	\$6
4,300 - 4,599.99	\$13	\$12	\$11	\$10	\$9	\$8	\$7
4,600 - 4,899.99	\$14	\$13	\$12	\$11	\$10	\$9	\$8
4,900 - 5,199.99	\$15	\$14	\$13	\$12	\$11	\$10	\$9
5,200 - 5,499.99	\$16	\$15	\$14	\$13	\$12	\$11	\$10
5,500 - 5,799.99	\$17	\$16	\$15	\$14	\$13	\$12	\$11
5,800 - 6,099.99	\$18	\$17	\$16	\$15	\$14	\$13	\$12
6,100 - 6,399.99	\$19	\$18	\$17	\$16	\$15	\$14	\$13
6,400 - 6,699.99	\$20	\$19	\$18	\$17	\$16	\$15	\$14
6,700 - 6,999.99	\$21	\$20	\$19	\$18	\$17	\$16	\$15
7,000 - 7,299.99	\$22	\$21	\$20	\$19	\$18	\$17	\$16
7,300 - 7,599.99	\$23	\$22	\$21	\$20	\$19	\$18	\$17
7,600 - 7,899.99	\$24	\$23	\$22	\$21	\$20	\$19	\$18
7,900 - 8,199.99	\$25	\$24	\$23	\$22	\$21	\$20	\$19
8,200 - 8,499.99	\$26	\$25	\$24	\$23	\$22	\$21	\$20
8,500 - 8,799.99	\$27	\$26	\$25	\$24	\$23	\$22	\$21
8,800 - 9,099.99	\$28	\$27	\$26	\$25	\$24	\$23	\$22
9,100 - 9,399.99	\$29	\$28	\$27	\$26	\$25	\$24	\$23
9,400 - 9,699.99	\$30	\$29	\$28	\$27	\$26	\$25	\$24
9,700 - 9,999.99	\$31	\$30	\$29	\$28	\$27	\$26	\$25
10,000 - >10,299.99	\$32	\$31	\$30	\$29	\$28	\$27	\$26]

R. 7/1/21 – OMTL-

Volume 8 — Child Care Assistance Program (CCAP)

Co-Payment Increases

MS 5020

(1)

During the initial twelve (12) calendar month eligibility period, a change in circumstances will not increase the co-payment. Co-payments can increase at recertification, but after the recertification, it will follow the same logic as at application. It can be reduced, but not increased.

Volume 8 — Child Care Assistance Program (CCAP)
Statutory Rights: Family Rights and Responsibilities
MS 5500

(1)

All children receiving child care services in a licensed, certified, or registered provider setting have the right to be cared for in an environment free of any form of abuse and cared for by adults who meet health, safety, and developmental needs.

The parents, custodians, or guardians of children in care have the right to:

- A. Always gain access to their children at all times in which the child is in care as well as access to the provider caring for their children during normal hours of provider operation and whenever the children are in the care of the provider.
- B. Access information about child care regulatory standards; if applicable, where to direct questions about regulatory standards, and how to file a complaint.
- C. File a complaint against a child care provider without any retribution.
- D. Obtain information from the Cabinet regarding any type of licensure denial, or revocation of an operator, and Cabinet reports that have found abuse or neglect by any child care provider or any employee of a child care provider. Identifying information regarding children and their families shall remain confidential.
- E. Obtain information from the Cabinet regarding the inspections and plans of corrections of the child care center, the family child-care home, or registered provider.
- F. Review and discuss with the provider any state reports and deficiencies revealed by such reports.
- G. Know about complaints, civil penalties, and licensure compliance issues.

Volume 8 — Child Care Assistance Program (CCAP)
Parent Rights in the Child Care Assistance Program
MS 5505

(1)

Unless an alternative program such as Head Start, public state pre-school or kindergarten is available and accessible during the time the parent needs child care services, a parent is given the opportunity to choose a provider once the case is approved.

Form [PAFS-3, Information About Your Benefits], is sent on all approved applications. The parent is instructed to use form [PAFS-3] as proof of eligibility for child care assistance to access child care services. Families approved by Department for Community Based Services (DCBS) Protection and Permanency staff are provided a copy of form DCC-85, Approval for Child Care Assistance, to access services.

Parents have ten (10) calendar days advance notice of proposed action if a change in the family's circumstances indicates the child care benefit will be discontinued. Notice is provided on form DCC-105, Child Care Denial or Discontinuance Notice. Form DCC-105 will be sent ten (10) calendar days prior to an action.

An increase in income following an initial or recertification approval will **not** adversely affect eligibility unless the income is above 85% SMI.

Parents have the right to informal resolution of a complaint or to file a service appeal if they are dissatisfied with any action or inaction taken in their CCAP case.

Volume 8 — Child Care Assistance Program (CCAP)

Parent Responsibilities

MS 5510

(1)

The parent or guardian must sign the DCC-94, Child Care Service Agreement and Certificate, and return it to the Department for Community Based Services (DCBS) within ten (10) days. If the parent or guardian fails to sign and return the DCC-94 timely, the child's enrollment with the selected provider will be denied.

Note: the certificate also requires the signature of the child care provider.

Any family receiving CCAP must cooperate with all Cabinet case reviews, including Quality Control (QC). Failure to cooperate with any review will cause the household to be disqualified from further participation in the program, until the household cooperates and provides all necessary information.

Volume 8 — Child Care Assistance Program (CCAP)

Responsibility to Report Changes

MS 5515

(1)

Parents are required to report certain changes to the Cabinet within ten (10) calendar days of the day the change is known. Failure to report these changes may result in an overpayment or a referral for fraud investigation and possible court action.

A. Changes that must be reported include:

1. Non-temporary loss or ending of eligible activity.
2. Monthly income that exceeds 85% State Median Income (SMI) for their appropriate household size.
3. Change in household size.
4. Change in marital status.
5. Change in mailing address or residency.
6. Changes in child care providers and/or changes in the scheduled hours care is needed.

[A non-temporary change **will** adversely impact a case after initial or recertification approval if the client is not participating in a qualifying CCAP activity by the end of the job search in change period].

An increase in income following an initial or recertification approval will **not** adversely affect eligibility unless the income is above 85% SMI.

[NOTE: All provider discontinuations must be dated eleven (11) calendar days or more, as it is required that providers receive a notification ten (10) calendar days before discontinuance. It is permissible for health and safety reasons to immediately start a new enrollment (if needed), using multiple providers.]

B. The Department for Community Based Services Family Support staff is responsible for:

1. Processing the change.
2. Issuing form DCC-105, Child Care Denial/Discontinuance Notice, confirming the reported change, household circumstances, and if benefits will change.
3. Providing all necessary provider documents and notices. Failure on the part of the parent to provide requested information will result in the issuance of form DCC-105 and possible discontinuance of child care assistance.

NOTE: The administratively feasible date for discontinuations is ten (10) calendar days before the end of the month.

Volume 8 — Child Care Assistance Program (CCAP)

Preventing Improper Payments

MS 6000

(1)

The Department for Community Based Services Family Support staff shall take the following steps to prevent and deter improper payments:

1. Thoroughly question the client on all aspects of eligibility.
2. Verify statements by examining documents the applicant provides or by obtaining information from appropriate third party sources.
3. Clarify inconsistencies.
4. Make sure applications are signed, accurately dated, and maintained in the Electronic Case File.
5. Verify information reported matches the information in Worker Portal.
6. Inform clients of the responsibility to provide correct and complete information, including reporting changes correctly and timely.
7. Make sure that case comments list the details of the client's provider selection, start date and requested schedule to ensure the child's enrollment is correct.

Volume 8 — Child Care Assistance Program (CCAP)

Identifying an Improper Payment

MS 6005

(1)

A. Improper payments may be identified by:

1. “Hotline” referrals from the Office of Inspector General (OIG).
2. Case reviews.
3. Reported case changes.
4. Thorough interviews.
5. Other various sources.

B. An improper payment can result in:

1. An overpayment, where a claim is established for the purpose of collecting erroneous benefits.
2. A neutral effect with no error in payment.

Note: Upon discovery of an improper payment, immediately correct the case to ensure accurate ongoing benefits are issued.

A claim is established to collect the amount that was overpaid.

A. The Department for Community Based Services(DCBS) Family Support staff is responsible for the following actions related to a claim for a recipient:

1. Identify, verify and compute.
2. Contact the household to determine the reason for the claim to explain how the claim will be calculated, and to explain the recipient rights.
3. Set up and maintain the claim record within the Electronic Case File (ECF).
4. Screen claims for suspected fraud.
5. Request and participate in Administrative Disqualification Hearings.
6. Respond to fraud hotline requests generated by the Office of the Inspector General.
7. Claim payments are not accepted in the local DCBS offices. Payments are accepted by Central Office staff in the Claims Management Section for both recipient and providers.
8. Refer all questions relating to tax intercepts to the Claims Management Section at 502-564-3440.
9. Forward bankruptcy information to the Claims Management Section.

Note: The Division of Child Care (DCC) is responsible for all actions pertaining to claims for Child Care Providers.

B. DCBS Family Support staff is responsible for the following actions related to a claim:

1. Pursue collection of all claims.
2. Review all Office of Inspector General (OIG) referrals to determine if evidence exist to pursue as an Intentional Program Violation (IPV).
3. Review recommended and final orders related to claims.
4. Prepare and route exceptions to recommended orders related to claims.
5. Enter payment agreements with recipient into Worker Portal.
6. Negotiate payment agreements with recipient.
7. Suspend or terminate collection efforts on claims.
8. Adjust balances on Worker Portal.
9. Determine if claims meet criteria for hardship or compromise.

The Office of the Inspector General (OIG) maintains a toll free hotline, 1-800-372-2970 to report suspected fraud.

OIG screens complaints and sends valid hotline referrals to the Department for Community Based Services (DCBS) Family Support Regional Claims Workers. All valid complaints are worked by Regional Claims Workers and the following is completed:

- A. Review the case to determine if incorrect benefits were issued. Verify any necessary information and secure substantiating documentation.
- B. Make any required changes in the case to reflect the new information.
- C. If more information is needed, use the DCC-90F, Notice of Appointment Request for Information, to make an appointment with the client to discuss the hotline referral. If the client does not keep the appointment or return requested information, term the case for noncooperation.
- D. If there appears to be a possible claim complete appropriate claim forms.
- E. Notify DCBS Family Support staff whether action is taken or not on the case and why, within timeframes listed on the report.

Volume 8 — Child Care Assistance Program (CCAP)
Determining the Start Date and Amount of the Claim
MS 6020

(1)

The Department for Community Based Services (DCBS) Family Support staff shall calculate the amount of an overpayment for an:

- A. Agency error (AE) back to the month that the error first occurred, but not more than twelve (12) calendar months prior to the discovery date.
- B. Inadvertent Household Error (IHE) back to the month that the misunderstanding or error first occurred, but not more than three (3) years prior to the discovery date.
- C. Intentional Program Violation (IPV) back to the month the fraudulent act first occurred, but not more than five (5) years prior to the date of discovery.

In calculating the claim amount the Regional Claims Worker must first calculate the first day of the claim, use the **10-10-10 rule** unless it is an application or recertification month and the change is known to the client at the time of the interview.

The 10-10-10 rule is as follows: The client has ten (10) calendar days to report a change from the time that the change becomes known, the worker has ten (10) calendar days to act on the change and there is a ten (10) calendar day adverse action period.

The first day of the claim is determined by when the change is known. The beginning day of the claim is the day after the adverse action ends.

Example: Kathy Jo failed to report a change in unearned income. She knew the change on 10/2/18. Allow ten (10) calendar days for her to report (10/12/18), ten (10) calendar days for the agency to act on the change (10/22/18), and ten (10) calendar days adverse action (11/1/18). Since the adverse action ends 11/1/18, the first day of the claim would be 11/2/18. (11/1/18 would not be part of the claim as it is within the ten (10) calendar day adverse action period).

Example: In December 2018 the worker learned that Amanda started a new job on July 2, 2017. Amanda was in the office on July 12 and did not report the job at the time of the interview. The first day of the claim would be July 12, 2018. The claim amount is calculated based on the date of the occurrence and must include all service months with errors.

Example: Jenna applies for benefits on 11/01/18 and is approved on 11/6/18. On 12/2/18 Jenna starts a job that exceeds the income limits. Jenna is given until 12/12/18 to report the change, the worker is given until 12/22/18 to complete the change and ten (10) calendar days are allowed for adverse action, 01/01/19. The overpayment would start on 01/02/19. The 10-10-10 rule does not apply if a client does not report a known change at the time of application or recertification. The overpayment begins with the date of the application or recertification.

Claims fall into one (1) of three (3) categories:

A. Agency Error (AE)

Occurs when the claim is caused by the Department for Community Based Services (DCBS) Family Support staff action or inaction on a case.

This includes claims caused by:

1. Failure to take prompt action on a reported change.
2. Incorrectly computed income and deductions.
3. Policies, rules or statutes that were not applied correctly by DCBS/Family Support staff (clients).

AE claims are categorized as Child Care Agency Error (CAE) for recipients.

B. Inadvertent Error (IE)

Occurs when the claim is caused by a misunderstanding or an unintended error by the recipient.

This includes claims caused by:

1. Failure to provide correct or complete information or report a change with no ill intent.
2. Receipt of benefits pending the outcome of a hearing that rules against the recipient.

IE claims are categorized as Child Care Non Court (CNC) for recipients.

C. Intentional Program Violation (IPV)

Occurs when the claim is established by admission, hearing, or a court of law.

This includes claims caused by:

1. Misrepresentation of information by making a false statement either orally or in writing to obtain or attempt to obtain services for which they are not eligible;
2. Concealment of information to obtain services to which they are not eligible;
3. Deliberately withheld information needed to accurately determine eligibility;
4. Deliberate failure to report a change timely in order to continue to receive services to which they are not entitled;
5. Falsification or alteration of documents to obtain services to which they are not entitled.

Volume 8 — Child Care Assistance Program (CCAP)

Criteria For Pursuing an IPV Claim

MS 6030

(1)

The burden of proof to establish an Intentional Program Violation (IPV) is on the agency. Evidence used to demonstrate this must support the accusation of IPV and prove intent to commit child care fraud.

Evidence includes, but is not limited to:

- A. A signed child care application used to determine eligibility for the claim period. IPV cannot be pursued if a signed application is not available. The claim category is inadvertent error or agency error, depending on the case circumstances.
- B. Computer printouts.
- C. Form PAFS-700 Verification of Employment and Wages.
- D. Form PAFS-76 Information Request.

Once a potential claim has been identified, secure all verifications to complete the calculation of the overpayment. If the claim is over \$5,000 and fraud is suspected, the case is referred to the Office of the Inspector General (OIG) and no further action is taken by the Department for Community Based Services (DCBS) Family Support staff.

- A. Complete the following if the potential claim is Agency Error (AE) or Inadvertent Household Error (IHE):
 1. Send Claims Appointment Notice to the recipient to set up an appointment to discuss the potential claim. The appointment is to occur no later than thirty (30) calendar days from the date the claim is discovered. The interview is scheduled at a time that is convenient for both the DCBS Family Support staff and the client. The interview can be a phone interview. The interview shall consist of presenting the evidence, explaining how the claim will be calculated and explaining the client rights. During the interview, the client is given an opportunity to dispute the existence, amount, or the category of the claim.
 2. Give the recipient the opportunity to complete form DCC-98. This form is voluntary and is completed by the recipient without coercion from the DCBS Family Support staff. The DCC-98 and documentation become part of the claims record.
 3. DCBS Staff complete forms OIG Fraud Referral and DCC-99B.
- B. Complete the following if the potential claim is fraud and categorized as an Intentional Program Violation (IPV) and under \$5,000 recipient:
 1. Send forms Claims Appointment Notice, DCC-84, Notice of Suspected Intentional Program Violation, and DCC-84, Supplement A Voluntary Waiver of Administrative Disqualification Hearing, to the recipient to set up an appointment to discuss the potential claim. The appointment is to occur no later than thirty (30) calendar days from the date the claim is discovered. The interview is scheduled at a time that is convenient for both the DCBS Family Support staff and the recipient. The interview can be a phone interview. The interview shall consist of presenting the evidence, explaining how the claim will be calculated and explaining the recipient rights. During the interview, the recipient is given an opportunity to dispute the existence or the category of the claim.
 2. Give the recipient the opportunity to complete form DCC-99C. This form is voluntary and is completed by the client without coercion from the DCBS Family Support staff. All of the above forms and documentation become part of the claims record.
 3. If the recipient fails to show for the appointment and does not reschedule within ten (10) calendar days, does not sign the DCC-84 Supplement A, or request disqualification hearing, the DCBS staff completes form DCC-80, Request for an Administrative Disqualification Hearing.

If the DCBS Family Support staff determines that there is no claim after the interview, the case record is documented as to the reason for the determination. No further claims activity is needed on the case.

- C. Complete the following if the potential claim is fraud and categorized as an Intentional Program Violation (IPV) and over \$5,000 recipient
1. The OIG Fraud Referral form and DCC-99B are completed per procedural instructions.
 2. A copy of the case record pertaining to the claim period, including application and all forms and documentation, used to calculate the claim are sent with the OIG Fraud Referral form and 99B. Send only copies, maintaining all originals to the DCBS Family Support central office.
 3. Once the case has been forwarded to OIG for investigation and possible prosecution, do not discuss the claim with the recipient. If the recipient has questions relating to the investigation, refer the client to the OIG office at 502-564-2815.
 4. If the OIG office contacts the DCBS Family Support staff for further information, the DCBS Family Support staff must cooperate with the OIG investigator. If the case is referred to court, the DCBS Family Support staff is to appear in court, if subpoenaed, to discuss how the calculations were computed and to provide any available documentation to substantiate the circumstances of the claim.

If OIG returns the case for Administrative Action, a copy of form DCC-99A will be returned to DCBS Family Support staff.

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Administrative Disqualification Hearings

MS 6040

(1)

An Administrative Disqualification Hearing is conducted by the Division of Administrative Hearings (DAH) to determine if an Intentional Program Violation (IPV) has occurred. The format of the hearing is similar to that of a fair hearing, except the burden of proof is on the Agency.

- A. Refer a case for a disqualification hearing via form DCC-80, Request for an Administrative Disqualification Hearing, within ten (10) calendar days if there is sufficient evidence to substantiate a claim of IPV and one or more of the following situations apply:
 1. The claim does not meet criteria for referral to the Office of Inspector General (OIG).
 2. The facts of the case do not warrant civil or criminal prosecution and OIG closes their case.
 3. Form DCC-84, Supplement A, Voluntary Waiver of Administrative Disqualification Hearing, is not received signed within ten (10) days of being sent to the household.
- B. Review Worker Portal for previous disqualifications before completing the DCC-84, Supplement A. Make DAH aware of the prior IPV that was established by signing an DCC-84, Supplemental A., whether it is a first (1st), (2nd), or (3rd) offense. If client commits an IPV after July 1, 2013, the waiver can be offered to establish an IPV for each program violation.
- C. Access the "Claim Adjustment" screen on your navigation panel through Benefit Management and click "request ADH" to start the administrative hearing process.
- D. Complete form DCC-80, Request for an Administrative Disqualification Hearing, and attach it with all evidence that will be presented at the hearing along with a copy of the DCC-84, Notice of Suspected Intentional Program Violation, in the Hearings Module under the appropriate hearing ID as "Exhibit List".
- E. Only evidence listed on the DCC-80 can be introduced at the hearing, if information is not listed on the DCC-80 or evidence is missing, submit a "Withdraw Request" request via the Hearings Module and re-submit a new DCC-80 with correct information and all of the necessary evidence following the process outlined in C above. Complete the DCC-80 using the following guidelines:
 1. Provide a detailed explanation of the charges, attaching additional sheets if necessary.
 2. List the chronology of events which led the worker and supervisor to suspect an IPV occurred, e.g., when and how the claim was discovered, the client's history of not reporting changes, and the client's statements regarding the situation, ONLY if it supports the IPV.
 3. List each piece of evidence which should include all CCAP applications, including electronically signed or voice recorded, PAFS-700, Wage Verifications & Wage History and Pay Stubs, Wage File Data, EA Verification, Comments Screens that support the IPV, Written Statements and Emails from the client or other parties that support the IPV, Notice of Eligibility, etc. that supports a determination of an IPV. Include the DCC-80 as part of the list of evidence. Redact any private information that should not be disclosed at the hearing.

4. Electronic Signature application(s) and dates are verified by Worker Portal inquiry. However, in pursuing the IPV claim, provide the hardcopy application to show the electronic signature was used in order to process the CCAP application for the time period of the claim.
 5. Voice Recorded Signature applications and dates are verified through Worker Portal. However, in pursuing the IPV claim, you must present the original Voice Signature Application and the completed Voice Signature Application Instruction Letter that was scanned into the electronic case file (ECF) for the CCAP case. The worker documents the case record thoroughly to explain all case actions taken. Review CCAP clarification, "Voice Signature with No Application in ECF", issued November, 2015, to ensure procedure is followed to protect the validity of the application for the hearing.
 6. Any prior disqualification verification, i.e. DCC-84, DCC-83, Court documentation, prior hearing affirmation, or out of state disqualification verification, must be presented at the hearing.
 7. When a hearing is requested on Worker Portal, tasks are systematically created for the requested hearings based on SNAP, Medicaid, KTAP, Child Care eligibility and Claims. A task will be sent to DAH along with any documentation associated with the hearing request. The type of hearing requested will determine the task that is created by DAH and the type of notice sent back to each region. The regions have assigned designated hearings PAPS that will be a part of the queue to receive tasks concerning the notices for the different types of hearings. The hearing PAPS will log the hearing notices and assign a task to the appropriate supervisor or worker for that region. They will monitor the hearing process and track results.
 8. Once a DAH has been requested through Worker Portal corrections cannot be made to the hearing request on Worker Portal; instead, "Withdraw Request" will need to be done and a new hearing request completed.
 9. Individuals who are not on Worker Portal or have never had a case on KAMES, i.e. "caseless individuals", must first be assigned an Individual number prior to requesting a hearing. The Individual number is created by clicking on the Individual tab at the top of the navigation page through Worker Portal. Enter the required information on the individual. Once all information is entered, the system navigation will take you to the Individual Summary screen. Now that the individual is known to Worker Portal the worker may create a manual claim against the individual and request a hearing through Benefit Management or the Hearings Module, whichever is appropriate.
- F. DAH schedules the hearing and provides written notice to the household at least thirty (30) days in advance of the hearing date. The notice advising of the date and time is of the hearing sent to the household and a task is generated for the Hearings PAPS to review.
1. Hearings held telephonically – an agency representative must be present at each hearing. The agency cannot ask DAH to reschedule the hearing if the designated individual cannot attend. Another claims worker will have to be assigned to attend the hearing if the designated worker is unable to. The agency's evidence uploaded to the Hearings Module with the DCC-80 and mailed to the client. ALL evidence must be labeled as: Exhibit 1, 2, and 3 or Exhibit A, B, C, etc. prior to uploading to the Hearings Module for DAH and mailing to the client.

2. Hearings held face-to-face - an agency representative must be present at each hearing. The agency cannot ask DAH to reschedule the hearing if the designated individual cannot attend. Another claims worker will have to be assigned to attend the hearing if the designated worker cannot. Agency's evidence must be uploaded to the Hearings Module when submitting the DCC-80 and must be labeled. The client will receive a copy of the evidence at the scheduled face-to-face hearing. Additionally, if another worker had input in the case or gathered collateral information during the time at issue, include that worker as a witness. Attendance by a DCBS worker is mandatory under these circumstances so that the evidence is not considered "hearsay".
- G. A requested hearing may be withdrawn by utilizing the "Postponement Withdrawal Request" button on the Hearings Summary page in the Hearings when:
1. Information becomes available that indicates IPV did not occur. Contact the client when this occurs.
 2. The client signs form DCC-84, Supplement A, Voluntary Waiver of Administrative Disqualification Hearing.
- H. The preparation for and conduct of an administrative disqualification hearing is the same as a fair hearing.
- I. After the hearing is conducted, the DAH issues a hearing officer's order, which is sent for review to all participants at the hearing.
- J. The Cabinet Secretary or Secretary's Designee issues the final order and copies are mailed to the client, and uploaded to the Hearings Module creating a task for the Hearings PAPS for review.
1. If the final order determines an IPV occurred, enter the IPV disqualification on Worker Portal within three (3) work days of receiving the order.
 2. If the case is active, change the category to IPV on Worker Portal. If inactive, contact CMS by e-mail to change the category.
 3. If the final order determines an IPV did not occur and an SIPV claim has been established, recalculate the claim amount as appropriate and make system entry changes on Worker Portal to show the correct claim category, Inadvertent Household Error (IHE) or Agency Error (AE). If the case is not active, contact CMS by e-mail to change the category or terminate the claim if the claim period is more than twelve (12) calendar months (1 year) prior to the discovery date for AE claims or seventy-two (72) months (6 years) prior to the discovery date for IHE claims.
 4. The claims worker updates Worker Portal to reflect the dates that the form DCC-84 and DCC-84 Supplement A are sent and when the ADH hearing has been requested, scheduled, affirmed or reversed.
- Note:** CHFS.DFS.Claims@ky.gov
- K. If the client is dissatisfied with the final order, a petition can be filed in the Circuit Court of the county where the member lives within thirty (30) calendar days of receipt of the final order. Although a court appeal may be filed, the disqualification is imposed on Worker Portal; however, it may be subject to change by the decision of the Court.

Volume 8 — Child Care Assistance Program (CCAP)

Deferred Adjudication of IPV Claims

MS 6045

(1)

After the CCAP benefits claim has been processed by the Office of Inspector General (OIG), an agreement not to prosecute may be reached between the court and the member suspected of the Intentional Program Violation (IPV). This agreement is called deferred adjudication.

- A. If adjudication is deferred, the member accused of the IPV is provided an opportunity by the court to sign form DCC-83, Deferred Adjudication Disqualification Consent Agreement.
- B. By signing form DCC-83, the accused member does not admit guilt. The member only consents to imposition of the appropriate disqualification period and repayment of the claim.
 - 1. The form must be signed by the accused member and the head of household, if different persons, and the prosecuting attorney.
 - 2. The member is under no obligation to sign such an agreement.
- C. OIG is responsible for providing a supply of forms DCC-83 to the County Commonwealth Attorney's office.
- D. If a case is sent back to the local office indicating the member has agreed to deferred adjudication but the County Commonwealth Attorney's office does not send form DCC-83, OIG contacts the member and has the form signed.
- E. If the household consents to disqualification, impose a disqualification on the Worker Portal upon receipt of form DCC-83.

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IPV Disqualification Penalties

MS 6050

(1)

The Department for Community Based Services (DCBS) Family Support staff will enter an Intentional Program Violation (IPV) disqualification into worker portal within three (3) work days of notification that a recipient has committed an IPV. Notification is a signed DCC-84, Supplement A Voluntary Waiver of Administrative Disqualification Hearing, or DCC-83, Deferred Adjudication Disqualification Consent Agreement, a final hearing order, or notice of a court decision or agreement that finds the recipient guilty. When a recipient is determined to have committed an IPV, a disqualification is imposed. At this time a DCC-82, Notice of Disqualification, is sent to the recipient.

- A. A disqualification penalty shall adhere to the following guidelines:
 - 1. Twelve (12) calendar months for the first occurrence.
 - 2. Twenty-four (24) calendar months for the second occurrence.
 - 3. Permanently for the third occurrence.
 - 4. The length of penalty assigned by the court.
- B. If the recipient is currently receiving under a DCBS approval, the disqualification will be entered and count as an occurrence; however, the client's case will not be affected. If at any time during the disqualification period the DCBS approved recipient changes eligibility to CCIE, the recipient will have to serve the disqualification.
- C. Once a disqualification period begins, it continues uninterrupted for the entire number of months regardless. The disqualification period does not start and stop depending on the client's eligibility.
- D. If a claim involves months before and after 07/01/19 the claim may need to be split as the benefits issued after 07/01/19 could be an IPV.

Example: Hope applies for child care assistance on 07/03/18 and fails to report Glen, her husband, in the home. At her recertification appointment on 07/02/19 Glen is still in the home and Hope does not report this information again. Worker receives an anonymous tip on 01/02/19 that Glen is in the home and case is sent for a claim. Part of this claim may be an IPV.

Volume 8 — Child Care Assistance Program (CCAP)
Reporting Suspected Employee Fraud
MS 6055

(1)

Fraudulent activity by an employee occurs when a person responsible for administering an assistance program knowingly obtains benefits or assists an individual in order to obtain benefits, or receive increased benefits, for which the individual is not eligible. The employee committing the fraud is subject to prosecution. If convicted, this felony is punishable by imprisonment of five (5) to ten (10) years and, or a fine up to \$10,000 or double the gain.

A Department for Community Based Services (DCBS) or contract employee who knows or suspects that fraud has or may have occurred must report it within twenty-four (24) hours to their supervisor, Service Region Administrator (SRA), Division Director, or by calling the OIG Fraud hotline at 1-800-372-2970. An employee who fails to report suspected fraudulent activity may be subject to disciplinary action and dismissal, as well as relevant criminal penalties.

Volume 8 — Child Care Assistance Program (CCAP)

Claims Repayments

MS 6060

(1)

Once a claim has been established, the claimant can voluntarily arrange, either orally or in writing, a payment arrangement. The payment arrangement agreement, which includes a payment schedule and mode of payment is not finalized until the claimant or provider signs and returns a Repayment Agreement.

- A. The method of payment on the payment agreement can only be modified once in a twelve (12) month period. Current policy does not allow for the modification of the payment amount.
- B. Recipients may choose to pay the claim with installment payments. The chart below shows the minimum monthly payment required based on the claim threshold.

Claim Installment Payments Based on Claim Threshold

Claim Amount	Minimum Installment Payment
\$0-\$1,000	\$25.00
\$1,001-\$5,000	\$50.00
\$5,001-\$10,000	\$75.00
\$10,001-\$15,000	\$100.00
\$15,001-\$20,000	\$125.00
\$20,001+	\$150.00

- C. Claims may be repaid using one of the following methods:
 - 1. Lump Sum.
 - 2. Monthly repayment agreement.
 - 3. State tax offset.
- D. Claims shall be considered delinquent if:
 - 1. The claimant has not made an initial payment or entered into a satisfactory payment arrangement with the Cabinet within 30 calendar days from the date on the Demand Notice KCD 2.08 received by the claimant.
 - 2. Sixty (60) calendar days have lapsed since the claimant has missed a scheduled payment pursuant to the payment arrangement with the Cabinet.
- E. The Cabinet can pursue collection on a delinquent claim through the following collection methods:
 - 1. Court-ordered repayment.
 - 2. State tax refund interception.
 - 3. Lottery offsets.
 - 4. Wage garnishment.
 - 5. Referral to a collection agency.

F. Delinquent Recipients

If a recipient is delinquent ninety (90) calendar days or more on making payments, the claim will appear on a report. Notice is sent to the recipient giving them ten (10) days to make a payment or ongoing child care services are discontinued. The payment needs to be two (2) calendar months of the repayment amount. This is based on the established claim period of sixty (60) days. If there is not a repayment agreement, a minimum installment payment established using item C of this section shall be made for each calendar month and the repayment agreement must be established with the Cabinet to stop the negative action.

The recipient will not be eligible for services until they have paid all delinquent payments. This is calculated using the amount that was originally due when the claim was established minus the repayment amount for each subsequent delinquent month. If an applicant whose case was previously discontinued for non-payment of claim wishes to reapply, without making a payment, the application must be taken. The application is pended for the thirty (30) calendar days or until payment is made toward the delinquent claim. Inform the applicant that the application will deny in thirty (30) calendar days if no action is taken.

If a claim is delinquent for ninety (90) calendar days, the claim is automatically sent to the Kentucky Revenue Service for tax offset.

Claims information is maintained in the Electronic Case File (ECF).

A. The recipient claims folder should consist of:

1. Verification of Income and Work Schedule, if applicable.
2. Copy of recipient's signed DCC-90, Subsidized Child Care Assistance Application Summary.
3. Signed DCC-94, Child Care Service Agreement and Certificate.
4. Claim Referral form or DCC-99A, The Office of the Inspector General (OIG) Fraud Referral form.
5. DCC-99B, Claims Calculation Worksheet.
6. DCC-98, Client Repayment Agreement, if applicable.
7. Any other documentation verifying overpayment, including but not limited to, the investigation by OIG, court order, and a signed final order from a hearing.
8. Copies of receipts for payments received by Claims Management Section (CMS).

B. Agency Error (AE) and Inadvertent Household Error (IHE) claims case folders are retained for three years once the claim is paid in full, unless the claims is part of an audit. If part of an audit, retain the claims case folder until the audit is complete.

C. Intentional Program Violation (IPV) claims case files are retained indefinitely.

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Volume 8 — Child Care Assistance Program (CCAP)

Claims Appeals

MS 6070

(1)

If a recipient or provider disagrees with the claim, they may request a hearing.

All completed claims forms are to be sent to CCAP claims office, so claim collections may be suspended if appeal is within a thirty (30) calendar day timeframe of the establishment of the claim. If appeal is timely, but meets good cause criteria by Quality Assurance for a hearing, collections will be suspended once CCAP claims officer receives notification.

DCC-94E, Child Care Daily Attendance Record, will not be accepted after requested deadline. Other attendance records, such as room attendance and van attendance, are not acceptable.

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Volume 8 — Child Care Assistance Program (CCAP)

Legal Counsel

MS 6075

(1)

Any hearing where a client has legal representation, the hearings worker must request legal assistance from The Department for Community Based Services (DCBS) Family Support staff. DCBS Family Support staff will request assistance, and someone will be assigned to assist in these cases.

Any applicant or recipient of any type of assistance from the Department for Community Based Services (DCBS) has the right to request a hearing before an impartial hearing officer, if dissatisfied with an action or inaction on the part of the Department that adversely affects their case.

- A. At the time of application and at the time of any adverse action affecting an applicant's status with the Department, inform the individual in writing of the right to discuss the situation with a worker and/or to request a hearing. Such information is included on various Agency forms mailed or given to the individual. In addition, applicants are provided the pamphlet, PAM-PAFS-326, Division of Family Support Administrative Hearing Procedures.
- B. The hearing process consists of:
 - 1. The request.
 - 2. Preparation for and scheduling of the hearing.
 - 3. The hearing.
 - 4. Review of the recommended order.
 - 5. The final order.

Additional recourse for the recipient following an adverse hearing decision is available through appeal to the Cabinet Secretary, Secretary's Designee or Judicial review.

A hearing request is a clear expression, either oral or written, to review a decision made by the Agency.

- A. The request must be made by the client, a household member, their counsel, or an individual acting on behalf of the household or recipient.
- B. Requests for a Hearing, Appeal or Withdrawal, either written or oral are requested through Worker Portal for the client.
 - 1. When requesting a hearing through Worker Portal for an Employment and Training Program (ETP) or Kentucky Works Program (KWP) related issue, indicate that the hearing request involves an ETP or KWP issue.
 - 2. If received by phone or through the mail, indicate this in the comments section when requesting the hearing.
 - 3. When a client has moved out-of-state and subsequently requests a hearing, tell the individual they may request a hearing to be held telephonically.
- C. When completing a request for a hearing, be specific when describing the client's reason(s) for the hearing request. Use statements like: "The client does not agree with the amount of earnings counted in her CCAP case". Avoid vague statements such as "client request", or "client disagrees with denial". In addition, if the hearing involves an emergency situation, clearly annotate on the Note screen that it is an emergency.
- D. A request for a hearing may be submitted by the client or their representative directly to the Office of Administrative Hearings (OAH).
- E. The client may voluntarily withdraw the hearing request any time prior to the hearing. If the client wishes to withdraw the request, complete a hearing request search through the Hearings Module, locate the client's hearing request, and click the "Postponement Withdrawal Request" button. Form, PAFS-277, Hearing Withdrawal Confirmation Notice will generate automatically to the client. Print the system generated notice and attach in the Hearings Module as is part of the official Hearings Record. Enter comments in the Hearings Module as well as the respective Worker Portal case or claim. Be specific when describing the client's reason(s) for the hearing withdrawal.

In addition to the right to request a hearing, appellants are to be notified of their rights.

A. They have the right to:

1. [Present the case themselves or have the case presented by legal counsel or another representative.
2. The right to a qualified interpreter if the individual is Limited English Proficient (LEP) and rights to reasonable modification and auxiliary aids and services for individuals with disabilities.
3. Review the case record relating to the issue.
4. Bring witnesses to support their case in the hearing.
5. Present arguments without interruption.
6. Question any testimony or evidence and cross-examine witnesses.
7. Submit evidence establishing pertinent facts and circumstances in the case.
8. Continue benefits or payments if the appeal is requested within ten (10) calendar days of the date of the adverse action. The ten (10) calendar days would be the date the action is effective not the date on the DCC-105 Child Care Denial or Discontinuance Notice.]

B. **Appellants are to be notified of the availability of free legal services.**

Explain to the appellant that the Department does not provide payment for legal counsel but, if available, will refer them to a legal aid agency.

- C. If requested by the household or its representative, the agency provides a free copy of the relevant portions of the case file, including the application form and documents of verification used by the agency to establish the household's ineligibility or eligibility and benefit. The agency provides the appellant or the representative adequate opportunity to examine all documents and records to be used at the hearing. Provide all information to the appellant before the date of the hearing in a reasonable time as well as during the hearing.

Note: Confidential information, such as names of individuals who have disclosed information about the household without its knowledge or the nature or status of pending criminal prosecutions, is protected from release.

Confidential information protected from release and other documents or records which the appellant will not otherwise have an opportunity to contest or challenge may not be presented at the hearing, and do not affect the hearing officer's decision.

A hearing request is considered timely if received by the Cabinet within thirty (30) calendar days from the effective date of the adverse action, not the date the DCC-105 Child Care Denial or Discontinuance Notice is sent.

If the hearing request is untimely, forward the request and any information concerning the reason the request was untimely to the Quality Assurance Section. The hearing officer determines from the information provided whether the household had good cause for submitting an untimely request.

The Hearings Branch acknowledges all hearing requests, conducts a hearing, and issues a recommended order within forty-five (45) calendar days of receipt of a timely request for a hearing. The Commissioner of the Department for Community Based Services (DCBS) has forty-five (45) calendar days from the receipt of the recommended order in which to issue the final decision.

- A. [A Request for Hearing is entered in the Integrated Eligibility and Enrollment System (IEES) Worker Portal Hearings Module. A request may be made verbally or may be a written request, all requests must be submitted in the Hearings Module within 24 hours of receipt.

Note: Hearing requests entered in Worker Portal generate a task for the Office of Administrative Hearings (OAH). OAH will schedule the hearing, and the hearing will be assigned to staff as appropriate.

- B. If the request is from an appellant who has limited English proficiency and requires interpreter services or has a physical or mental condition that requires accommodation in order to participate in the hearing, annotate the hearing request with this information.
- C. Prepare for the hearing by reviewing the case record and writing a summary of the issue or action that prompted the request. If the hearing involves a claim issue, it may be necessary to contact the claims worker for additional information.
- D. Attach the summary and form PAFS-78 to the case record and give a copy of the summary to the supervisor. Include in the summary all information, documentation, notices, forms, comments, etc., that support the action taken by the agency. Be clear and concise but include pertinent information with the explanation in case you are unable to attend the hearing and the supervisor or another worker must represent the agency's position. DO NOT include unprofessional language or comments in the summary.

Note: All evidence, including the summary, must be uploaded to the hearings module. All evidence must include a cover page labeled as: Exhibit 1,2,3 or Exhibit A, B, C, etc.

- E. Make copies of all administrative regulations that relate to the issue or action.

Note: The parent of a child receiving child care subsidy cannot appeal the termination or denial of a specific child care provider.】

The hearing request is acknowledged by the Office of Administrative Hearings (OAH).

- A. OAH notifies the appellant that the request has been received and entered on the docket of pending requests. The letter of acknowledgement contains information regarding the hearing process, including:
 - 1. The right to case record review prior to the hearing.
 - 2. The right to representation.
 - 3. A statement explaining that the Department for Community Based Services (DCBS) can provide information regarding the availability of free representation by legal aid or welfare rights organizations.
- B. OAH notifies the appellant of the date, time, and place the hearing will be held via form, "Notice of Hearing".
- C. The form also advises the appellant of:
 - 1. The right to bring an attorney and witnesses if desired.
 - 2. The fact that if the appellant or a representative does not appear for the hearing, the appellant will have a period of ten (10) calendar days to advise OAH of the reason for not appearing. OAH considers the reasons and determines if good cause exists. The request is considered abandoned and dismissed unless good cause for the absence can be shown.
 - 3. All parties to the hearing are provided at least ten (10) calendar days timely notice of the hearing to permit adequate preparation of the case.
- D. The appellant may request and is entitled to a postponement without good cause if the request is made **BEFORE** the hearing. The postponement cannot exceed thirty (30) calendar days and the time limit for action on the decision is extended for as many days as the hearing is postponed. The Division of Child Care (DCC) CCAP staff is to notify the hearing officer of the postponement.

Hearings are conducted by a hearing officer with the Office of Administrative Hearings (OAH) which operates independently and recommended orders are based only on information presented at the hearing.

- A. Hearings are privately conducted at a place convenient to the appellant and:
 - 1. Are orderly but informal.
 - 2. Conducted without the use of strict technical rules of evidence and procedure.
 - 3. Provides a method by which the appellant can speak freely regarding facts and circumstances of the situation, refute testimony and examine all papers and records introduced as evidence.
 - 4. Provides the appellant the opportunity to submit additional evidence and to cross examine witnesses.
 - 5. Are concluded when the hearing officer is satisfied that sufficient evidence has been introduced to resolve the issue.
- B. The hearing is attended by the Division of Child Care (DCC) CCAP staff and by the appellant, the appellant's representative, or both. The hearing may also be attended by any individual the appellant wishes to attend. However, the hearing officer has the authority to limit the number of persons in attendance at the hearing if space limitations exist.
- C. Agency representatives should dress and speak professionally when presenting the Agency's position to the hearing officer. Policies and procedures should be explained in terms that everyone in attendance can understand. If unsure of a response to a question, advise those present that the information is not available at the hearing but will be provided if necessary.
- D. If conclusive evidence is not produced at the hearing, the hearing officer may continue the hearing. If continued the hearing process must still be completed within forty-five (45) calendar days of the initial hearing request and the appellant and DCC CCAP staff are notified ten (10) calendar days in advance of the time and place of the continued hearing.
- E. The appellant may request for the hearing officer to delay the recommended order for a reason beyond the control of the appellant. The decision to grant the delay and continue the hearing is made by the hearing officer.

After completion of the hearing, the hearing officer drafts a recommended order. The recommended order is not the final order; therefore, action is not taken on the case.

A. The hearing officer:

1. Reviews all evidence and drafts a recommended order. A recommended order, summarizes the facts of the case, states the reason for the recommended order, identifies the supporting evidence and provides citations of the pertinent sections of state and federal policy and regulations.
2. Ensures that the recommended order complies with state and federal laws and regulations.
3. Mails a copy of the recommended order for review to the appellant or the representative (if present at the hearing), and to DCC CCAP staff.

B. The recommended order is reviewed by the appellant, the appellant's representative, and DCC CCAP staff. The parties have fifteen (15) calendar days to review and file any exceptions or rebuttals. Exceptions or rebuttals filed after the 15th calendar day are disallowed.

C. If no exceptions or rebuttals to the recommended order are received within the fifteen (15) calendar day period, the recommended order is reviewed to ensure that it is in accordance with regulations. A final order is drafted and then forwarded to the Commissioner of DCBS. The Commissioner reviews and signs the final order.

D. Exceptions by the Agency are filed by DCC CCAP staff.

E. DCC CCAP staff are to use the following procedures to file an exception:

1. Upon receipt of a recommended order, the DCC CCAP staff has five (5) work days to review and request an exception. An exception can only be based on the facts and evidence presented at the hearing. No new information or evidence may be used.
2. If an exception is filed timely by either party, the other party can file a rebuttal to the exception within the fifteen (15) calendar day period. If the fifteen (15) calendar days have elapsed, no rebuttal can be made.
3. The Commissioner's office staff reviews all timely exceptions to the recommended order and drafts a final decision for submission to the Commissioner.

F. If no exceptions to a Recommended Order of Dismissal are submitted to the Office of the Commissioner the recommended order becomes the final order effective fifteen (15) calendar days from the date of the recommended order.

The final order accepts the recommended order, rejects or modifies the recommended order, or returns the issue to the hearing officer for further action before a final order is issued.

- A. The Commissioner of the Department for Community Based Services (DCBS) issues the final order for the hearing.
- B. The Commissioner has forty-five (45) calendar days to issue a final order from the date the Commissioner:
 - 1. Receives the official record of the hearing in which a recommended order is not submitted; or
 - 2. Receives the recommended order.
- C. The Commissioner signs the final order and mails a copy of the final order to the following:
 - 1. The recipient and representative (if present); and
 - 2. DCC CCAP section.

The final order becomes part of the record and approves or rejects the recommended order.

A final order is followed until the next time the household's eligibility is re-determined.

Upon receiving the final order signed by the Commissioner and DCC CCAP staffs are to review the final order along with the recommended order for any reference to future action in the case.

Complete the following actions as required by the final order:

- A. For reversals of denials or discontinuances of cases, take case action to approve or reapprove the case.
- B. For reversals involving a reduction of benefits, action is taken within ten (10) calendar days to restore benefits to the date of the action which resulted in the hearing.
- C. For final orders which result in an increase in the household's ongoing benefits take action within ten (10) calendar days of the receipt of the final order. Determine if the appellant has an existing claim. If so, offset benefits, if appropriate.
- D. For final orders which the Agency is affirmed and the benefits were continued during the hearing process, take action to correct the case and the amount of benefits. If appropriate, initiate a claim and collection amount of benefits. If appropriate, initiate a claim and collection action against the appellant for any overpayment caused by a continuation of benefits pending the hearing.

The hearing officer's responsibility ends with the issuance of the final order.

Enter a brief statement of action, including date of final order on the Worker Portal "Comments" screen.