



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

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**SUBSIDIZED CHILD CARE ASSISTANCE ADMINISTRATIVE LETTER #02-17**

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

SUBJECT: Changes to Subsidized Child Care Assistance (SCCA) Policy

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

ISSUE DATE: March 30, 2017

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

The purpose of this Administrative Letter is to communicate changes to SCCA policy regarding:

- (1) Alternate Providers.
- (2) One Application for More Than One Case
- (3) Work First Transition
- (4) Gainful Employment
- (5) Reducing Services
- (6) Use of DCDEE 0456 Application for Child Care Services
- (7) Applications and Vouchers for Child Protective Services

**Alternate Providers**

**1. General Information**

This is a new policy to address situations when the primary child care provider will not be able to provide care for 30 calendar days or less and the recipient is using an alternate provider.

**2. Policies**

When the primary child care provider is not able to provide care for less than 30 calendar days, the recipient can choose to have care provided by an alternate provider. The alternate provider must be approved to receive subsidy payments and enrolled in the NC FAST Provider Portal. Alternate providers cannot provide services for more than 30 calendar days.

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### 3. Procedures

Alternate providers are chosen when the primary provider is closed and the recipient needs care during the period of time the primary provider is closed. After the recipient has chosen an alternate provider, payment for the primary provider will be suspended in NC FAST via an action notice for the period of time that the primary provider will be closed. A voucher will be issued for the alternate provider covering the same period of time as the suspension for the primary provider. The alternate provider must be attached to the primary provider's plan of care in NC FAST. During the period of time that the primary provider is closed, the primary provider would select 'Provider Closure' or 'Not Scheduled' in the NC FAST Provider Portal. The alternate provider will record attendance for the period of time that they provide care for the child. Alternate providers will only be paid by attendance.

Start dates for care and end dates for care will be printed on the Action Notice that is sent to the primary provider indicating the period of care. At the end of time of closure for the primary provider, the worker will ensure that the primary provider is available for care. If the primary provider is available, care can continue based on the original voucher issued to the primary provider. If the primary provider is not available, the voucher for the alternate provider can be extended if less than 30 calendar days. If the primary provider's time of closure exceeds 30 calendar days, the ten-day notice policy would apply. The notice should be sent on the last day and the recipient must select a new provider. The recipient may or may not choose the alternate provider as their new primary provider. Once the recipient has selected a new provider, a new voucher will be issued in NC FAST.

### One Application for More Than One Case

#### 1. General Information:

Chapter 4, III., A. states that a parent or responsible adult can apply for SCCA for his or her child or a child whom lives with the responsible adult and that the responsible adult has primary responsibility for. Chapter 4, III B., also states "A formal request for subsidized child care services must be initiated by completing an application."

#### 2. Policies:

A recipient can submit one (1) application for all children in the household. Through NC FAST, there can be one (1) application for a family that has more than one (1) case. If a recipient applies for services for his/her own child in addition to a child whom they are the nonparent caretaker, there will be one (1) application and two (2) cases. The exception to this would be for foster children who are in the legal custody of DSS. In these situations, the Foster Care Social Worker is required to apply for child care services.

#### 3. Procedures

When a recipient applies for SCCA for his or her own child and has unofficial or undocumented responsibility of another child, who is not in the legal custody of DSS, both children can be placed on one application for both cases. NC FAST will create one or more cases based on who should be included in the income unit. If there is more than one income unit, then there will be multiple cases created from one application. Documentation of the recipient's case file must provide adequate information regarding eligibility and the plan of care.

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## **Work First Transition**

### **1. General Information:**

According to Chapter 5., III., A., (4)., "The goal of Work First is to move participants into fulltime employment. Work First active participants are required to participate in work or a combination of work and work related activities. Successful implementation of the program will depend, to a large extent, on each county's efforts to deliver suitable child care for those participants who have preschool and school-age children." The maximum amount of time a participant can participate in Work First is 60 months; therefore, child care recipients can only receive child care for a maximum of 60 months when Work First is the recipient's need.

### **2. Policy:**

Once a recipient has exhausted their 60-month maximum for Work First services, the recipient will receive a 90-day transition if the recipient does not have another need for care such as employment or education. If the recipient does have another need for care at the time that the 60-month maximum is exhausted, care can continue to the end of the certification period based on the current need.

### **3. Procedures**

A Child Care Action Notice will be issued to the recipient upon exhaustion of the recipient's 60-month maximum for Work First services. This Action Notice will advise the recipient and provider that the recipient is receiving care for a 90-day transition. If the recipient does not find employment or participate in an educational program before the end of the 90-day transition, services will terminate at the end of the 90-day transition period. If the participant does find employment or does enroll in an educational program before the end of the 90-day transition period, a new Action Notice will be issued canceling the 90-day transition period and child care services will continue through the end of the certification period.

## **Gainful Employment Definition**

### **1. General Information**

Current policy in Chapter 22, Local Policy Options under section III, Establishing Need and Plan of Care, Section B. Develop local policy that define gainful employment.

### **2. Policies:**

New policy, Local Purchasing Agencies (LPA) no longer have this option. Gainful Employment is defined as making at least minimum wage and would also apply to employment outside of Self-Employment.

### **3. Procedures:**

If the gross amount of income is less than minimum wage based on the number of hours the parent/responsible adult states they work, the hourly wage is determined by taking the gross income and dividing it by the current minimum wage. These hours are used to determine the gainful employment hours for determining the level of care and parent fee.

The recipient is required to report changes in accordance with Recipient Responsibilities requirements.

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## Reducing Services

### 1. General Information:

Current Policy in Chapter 22, Local Policy Options Section VI. Waiting List B. Determine policies for reducing services when child care funding is not available, such as termination of part-time child care services etc.

### 2. Policies:

To align with provisions in the Child Care and Development Fund Act of 2014, new policy states that lack of funding is not a reason to terminate services. Data from NC FAST will allow counties to track the amount of funds obligated for the certification period of each case. Counties will use this information to control the number of new cases that can be added within their allocation.

### 3. Procedures:

Local Purchasing Agencies (LPAs) are to provide 12 months of continued eligibility. If child care cases are in jeopardy of termination due to potential lack of funding, the LPA must contact DCDEE for guidance.

## Use of DCDEE 0456 Application for Child Care Services

### 1. General Information:

In accordance with Chapter 4 III, B, a formal request for subsidized child care services must be initiated by completing a written application. All individuals who request subsidized child care services must be allowed to sign an application (DCDEE-0456) unless the county does not have sufficient funding to serve additional families.

### 2. Policies:

All applications for child care services will be processed through NC FAST. The recipient will be required to sign the last page of the Intake Application that is generated in NC FAST. The DCDEE-0456 Application for Child Care Services will only be used in two circumstances. One is when the recipient mails a printed DCDEE 0456 to the local DSS/LPA to apply for child care services. The other circumstance is when child care is needed for a child in foster care. A referral from the Department of Social Services (DSS) Social Worker must be made in these cases and the DCDEE 0456 must be signed by the DSS Social Worker.

### 3. Procedures:

When a recipient mails a completed and signed DCDEE 0456 to the local DSS/LPA to apply for child care services, this paper version of the DCDEE 0456 will be accepted by the child care worker and the application will be entered into NC FAST. When a referral for child care services is received from a DSS Social Worker for a child in foster care, the paper version of the DCDEE 0456 will be completed and signed by the DSS Social Worker. A signature on the Intake Application created in NC FAST will not be necessary for these cases.

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## Applications and Vouchers for Child Protective Services

### 1. General Information:

Current policy in Chapter 22, V. A. gives the DSS/LPA the option to determine if the voucher should be signed by the parent or staff designated by the DSS Director when child care services are being provided to support child protective services.

### 2. Policies:

New policy requires that applications and vouchers for children in Child Protective Services (CPS) will be signed by the parent.

### 3. Procedures:

Applications and vouchers that are currently authorizing child care services do not need to be changed immediately. At the time of redetermination for these cases, the child care worker will have the parent sign the new application. It is not necessary to issue a new voucher. New applications and vouchers for child care services to support CPS should be signed by the parent.

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

Sincerely,



Tamara Barnes, Interim Director

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