



North Carolina Department of Health and Human Services

DIVISION OF CHILD DEVELOPMENT

319 Chapanoke Road • 2201 Mail Service Center • Raleigh, NC 27699-2201

Tel: (919) 662-4499 • Fax: (919) 662-4570 • Courier Number: 56-20-17

Michael F. Easley, Governor • Carmen Hooker Odom, Secretary • Peggy M. Ball, Director

SUBSIDIZED CHILD CARE SERVICES MANUAL ~ CHANGE NOTICE #2 – 05

TO: County Departments of Social Services
Other Local Purchasing Agencies
State Level Contract Agencies

FROM: Nancy D. Guy, Subsidy Services Section Chief

SUBJECT: Revisions to the Subsidized Child Care Services Manual

ISSUE DATE: July 21, 2005

The purpose of this Change Notice is to provide clarification regarding the definition of active Work First participants and the relationship to child care subsidy services. This notice also provides the updated income eligibility guidelines effective **August 1, 2005**.

Active Work First Participants

In recent months, staff in the Division of Child Development received requests to serve families that were not considered eligible under previous interpretations. Since Work First families often receive priority for services, it was important to be clear about who qualified for priority on that basis. To clarify the issues pertaining to the need for child care for these families, discussion occurred with several of the committees of the North Carolina Association of County Directors of Social Services. Following those meetings, the Division of Child Development and Division of Social Services staff met to clarify the policies that related to child care subsidy services for Work First participants. The following clarification is provided as a result of the discussion.

Effective immediately, the term “active Work First participant” includes individuals that have applied for or are receiving: 1) cash assistance, or 2) Benefit Diversion, or 3) employment services when their income is at or below 200% of federal poverty level (FPL). If child care subsidy services are needed for an individual who meets this definition, the following documentation is needed. At the time of the initial request for subsidy services, a copy of the signed current Mutual Responsibility Agreement (MRA) II must be provided to the child care social worker to verify that the individual is a Work First participant. (NOTE: The MRA II is also referred to as the DSS-6963B.) Subsequent changes in the participant’s status which impact the provision of child care subsidy services must be conveyed by one of the following: 1) a copy of an updated MRA II, or 2) a Work First Information Transmittal Form (DSS-6904) or the agency’s referral form, or 3) verbal communication from the Work First Worker that is



1998 WINNER

INNOVATIONS IN AMERICAN GOVERNMENT AWARD

noted in the narrative of the child care subsidy record. If local purchasing agencies wish to give priority for services to certain individuals within the Work First participant definition, local waiting list policies must be revised to reflect these priorities. Please note that this policy clarification does not change any existing policies in the Subsidized Child Care Services Manual. Active Work First participants still have to meet subsidy policy requirements related to income and need criteria. Below are some questions and answers related to the provision of subsidy services to individuals who meet the above definition:

1. Can child care subsidy services be provided if Benefit Diversion services are provided for more than the three month cash assistance period?

Yes, child care subsidy services can be provided if the family meets the income and need criteria for services and the necessary documentation from the Work First Worker is in the file. Benefit Diversion services can be provided to recipients for a maximum of 12 months if the family's need warrants services for that time period.

2. Is there a limit on the length of time that subsidy services can be provided to support the job search activities for Work First participants?

In general, job search activities usually last six weeks; however, if a participant needs job search activities past the time period listed on the MRA II, the Work First Employment Services Worker must provide updated information to the child care social worker indicating the change.

3. Can Work First activities and child care services be provided to pre-applicants (persons that have not yet applied for Work First cash assistance, Benefit Diversion, or at or below 200% of federal poverty level services)?

These families would not be considered Work First participants since the Division of Social Services does not recognize the term pre-applicants. If child care subsidy services are needed, the family must qualify based on existing subsidy policies for individuals that are not active Work First participants.

If you have questions regarding subsidy policies, contact the Subsidy Services Consultant assigned to your agency. If you have questions regarding Work First policies, please address those with your DSS Work First Representative.

Chapter 4: Application, Eligibility Determination and Documentation

This chapter was revised to include the requirement that a written referral is needed as documentation in the family's case record to support employment for Work First Employment Services recipients.

Chapter 7: Family Definition and Determining Income Eligibility

The maximum income eligibility limits for child care services have been revised as a result of state law that requires such updating every two years. An updated income table is

provided as Attachment I for this chapter detailing the new income eligibility limits. The new income limits will apply to families who apply for services on or after August 1, 2005 and will be applied to families currently receiving services at the time of annual redetermination of eligibility or when a change is reported in the family's situation. Historically, the effective date for income eligibility limits has been October 1; however, this year the Division opted to implement the revised subsidy income guidelines on August 1, 2005, so that the new guidelines could be used by the More At Four Pre-Kindergarten Program as children are enrolled in August 2005.

Instructions for Maintenance of Subsidized Child Care Services Manual

Your agency must maintain at least one copy of the previous manual material for reference during single audits, state monitoring visits and fraud investigations. We recommend that staff review the changes to become familiar with the new information.

Remove

Pages 7-8 of **Chapter 4**
Dated October 1, 2002

Attachment I of **Chapter 7**
Dated October 1, 2003

Attachment I of **Chapter 8**
Dated October 1, 2003

DCD Form 0106
Dated October 2002

Insert

Pages 7-8 of revised **Chapter 4**
Dated August 1, 2005

Attachment I of **Chapter 7**
Dated August 1, 2005

Attachment I of **Chapter 8**
Dated August 1, 2005

Revised DCD Form 0106
Dated April 2005

A copy of this **Change Notice** should be retained in your manual in **Appendix E**.

Copies are being distributed electronically. Please forward this message to staff in your agency or copy and distribute the Change Notice. The manual can be accessed on-line at **<http://info.dhhs.state.nc.us/olm.manuals/dcd/ccs/man/index.htm>**. Questions regarding the manual materials should be directed to your Subsidy Services Consultant.

Enclosures

NDG/RW