

Subsidized Child Care Assistance Program Policy Manual
Chapter 9. Recipient Choice and Voucher Procedures

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I. CHAPTER OVERVIEW

Federal regulations of child care funds require that recipients be allowed to choose a child care arrangement from a variety of facilities. This chapter describes factors that recipients should consider when choosing a facility, along with the county Department of Social Services (DSS) or local purchasing agency (LPA)'s responsibilities to honor recipient choice whenever possible.

Federal regulations also require that states using child care funds have a certificate or voucher payment option in place. North Carolina has chosen to use the voucher system. This chapter describes how the voucher is issued, completed, and distributed.

II. RECIPIENT CHOICE

A. Factors to Consider in Choosing Child Care

Many recipients are requesting child care services for the first time and may need help with the selection process. During the initial interview, the child care worker helps the recipient to plan for child care, to understand what to look for when choosing an arrangement, and to deal with the emotional effects of separating from the child. Recipients may choose any child care facility that is eligible to participate in the Subsidized Child Care Assistance (SCCA) Program.

1. Helpful information for recipients includes:
 - i. Explanation of the difference between regulated and unregulated child care arrangements.
 - ii. Explanation of the requirements for participation in the Subsidized Child Care Assistance (SCCA) Program.
 - iii. The Division of Child Development and Early Education's web site address (<https://ncchildcare.ncdhhs.gov/>) or provide access to the site in the office, for information about regulated facilities.
 - iv. Facts about group size, staff/child ratio, staff qualifications and program activities.

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- v. The availability of space in centers and homes in the community; and
- vi. The 1-5 star rated license of the facility and what the license indicates.

2. Recipients and child care workers should discuss:

- i. Any unusual circumstance or special need of the child(ren) that would require a specific type of care.
- ii. The hours when child care is needed, based on work or school schedule, and including travel time, study time, and/or sleep time when applicable.
- iii. The type of program that meets the recipient's needs.
- iv. Convenience of the child care arrangement to home, work, or school; and
- v. Review and discuss the [NC FAST-20009 Recipient Rights and Responsibilities](#).

The DSS/LPA may not eliminate types of arrangements or facilities within categories of child care, e.g., centers or homes, when recipients receiving child care services are selecting a child care arrangement. DSS/LPAs may utilize the services of local resource and referral agencies, if available, as a resource for written materials and/or educating recipients about the selection and availability of child care services.

3. When Recipient's Choice of Facility is Not Available

A recipient's choice of facility may not be available for several reasons. For example, the facility:

- i. May not be operating legally.
- ii. May be operating legally but is not licensed and does not meet the quality requirement or operate under a Notice of Compliance and cannot accept the voucher.
- iii. May not have space available.

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- iv. May not be approved to care for the child because of the child's age.
- v. May not offer care during the approved time frame care is approved.
- vi. May not agree to the terms of the Child Care Provider Agreement or to subsidized payment rates or policies.
- vii. May not be interested in participating in the SCCA Program;
or
- viii. May not be able to participate in the SCCA Program due to an administrative action, notice of non-compliance, or sanction.

In such cases, the DSS/LPA is not obligated to authorize payment with the recipient's choice of facility. The recipient should be informed of the reason why authorization is not possible and asked to choose from other child care options.

4. Recipient Choice Regarding Changing Facilities

Recipients may ask to change child care facilities, which they may do. There is no limit on the number of times a recipient can change facilities.

B. How Maltreatment Information May Affect Parental Choice

If the DSS/LPA has information that indicates the facility chosen by a recipient is being investigated due to a report of abuse or neglect, this information may be shared with the recipient. Depending on the type of arrangement, a maltreatment complaint or investigation may affect parental choice in different ways.

Details such as the names of child (ren) or disabled adult(s) involved in the case cannot be released when sharing information about an investigation. Refer to Chapter 14: Maltreatment in Child Care Facilities for more information on sharing investigative information.

A recipient may choose a licensed facility that is undergoing an investigation or has been substantiated for child maltreatment. The DSS/LPA may share certain information with recipients regarding the investigation and substantiation of child maltreatment of regulated child care facilities so that

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recipients may make an informed decision whether to choose or continue using such a facility.

If a recipient continues to indicate a preference after receiving this information, the DSS/LPA must allow the recipient to use the regulated facility as long as the facility is operating legally.

C. DSS/LPA Purchasing Agency Liability

1. Child Maltreatment

Since a recipient may choose a licensed facility (including programs that are G. S. 110.106 approved) that is undergoing an investigation or has been substantiated for child maltreatment, the DSS/LPA may have concerns about liability. With the child care voucher, recipients assume the responsibility of selecting the child care facility. The recipient's signature on and facility's electronic acceptance of the voucher indicates that the arrangement is made between the recipient and facility and not the DSS/LPA.

When a recipient selects a facility that has been substantiated for child abuse or neglect, the DSS/LPA may determine that additional documentation is required. Through consultation with the county attorney, the DSS/LPA may choose to develop a form for recipients to sign which documents that the child care worker has informed the recipient of the situation.

2. Non-compliant Facilities

Since a recipient may choose a licensed facility (including programs that are G. S. 110.106 approved) that is undergoing an investigation or has a history of noncompliance the DSS/LPA may have concerns about liability. With the child care voucher, recipients assume the responsibility of selecting the child care facility. The recipient's signature on and facility's electronic acceptance of the voucher indicates that the arrangement is made between the recipient and facility and not the DSS/LPA.

The system will not allow a facility to be selected if the facility has a second instance of non-compliance within two years of the facility's first instance of non-compliance. The DSS/LPA can view instances of noncompliance received on all child care facilities in NC FAST. Refer to [Chapter 12: Non-compliance Requirements](#) for additional information regarding administrative actions. On occasion, there are stipulations that do not allow

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enrolling any children for specified periods of time, and the DSS/LPA must adhere to these administrative actions, notices of non-compliance, and sanctions.

III. VOUCHER PROCEDURES

A. When Vouchers are Issued

Any individual whom the DSS/LPA determines eligible to receive child care assistance must receive a voucher after a facility is selected. This is true for all child care funding sources. Vouchers are issued to eligible individuals:

1. At the time of initial determination of eligibility for child care services.
2. At the time that a child moves from one facility to another.

A separate voucher is issued for each child in need of child care assistance. If the child needs care from more than one facility, a separate voucher is generated for each facility.

Once the voucher has been issued initially it is not necessary to issue another one when the child's 12-month eligibility period ends unless there is a change in facility. A Child Care Action Notice is issued instead to document the new eligibility period and the parent fee, if any. However, if child care assistance terminates and the recipient reapplies later and is approved for assistance, a new Child Care Voucher is required, even if the same facility is chosen.

B. Issuing the Child Care Voucher

Child care vouchers are generated in NC FAST. The DSS/LPA initiates the voucher upon determining that a recipient is eligible to receive child care services and the recipient has chosen a facility. Recipients may choose from a variety of legally operating child care facilities eligible for participation in the SCCA Program. If the recipient has not selected a facility, the child care worker cannot generate the voucher until after the recipient has selected the facility. The child care worker should offer information that will help the recipient make an informed choice regarding selecting a child care

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arrangement. A referral can be made to the local Child Care Resource and Referral.

The DSS/LPA child care worker keys the application and once the application is approved, the product delivery case must be activated in order to generate a voucher. [Voucher Procedures Timeline Chart](#) and [County Waiting List Guide](#) are included as Attachment 1 and Attachment 2 of this chapter.

After the recipient has made a facility choice, the voucher will be generated in NC FAST. The child care worker will print the voucher and have the recipient sign it. If the recipient cannot make an office visit to sign the voucher, the voucher must be mailed to the recipient.

The following are the timelines required to complete the voucher process:

1. The recipient must sign the voucher within 30 calendar days. If the voucher is not signed by both the parent/responsible adult and the provider by the 30th calendar day, the voucher is cancelled.
2. After the voucher is cancelled, the parent/responsible adult may request a new voucher. If the voucher is reissued within 60 calendar days of the initial voucher issuance date, the new voucher will have the same start date as the initial voucher, unless the child(ren) started care at a later date. The voucher period includes the initial issuance of the voucher and the reissuance of the voucher and is limited to 60 calendar days. The voucher must be signed by the recipient and provider and the provider must be enrolled during the 60 calendar day timeframe. The reissued voucher return date cannot go beyond 60 calendar days of the initial voucher issuance.
3. If the new voucher is not signed by the recipient and the provider by the 60th calendar day, the voucher is cancelled. For any voucher requested after the 60th calendar day of the initial voucher issuance, the begin date is the date of the request.
4. When the recipient's choice of provider is not enrolled in subsidy, the caseworker will be required to contact the recipient and the provider to inform them that the provider must enroll within 30 calendar days, or the voucher will be cancelled.

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5. After the recipient signs the voucher, it cannot be sent to the provider for signature until the provider enrolls. If the provider does not enroll within 30 calendar days, the voucher is cancelled. If the provider enrolls after 60 calendar days, the voucher start date will be the date that the parent requests the new voucher.

NOTE: If child care assistance is being provided to support child protective services (CPS) the voucher must be signed by the parent/responsible adult. Children in foster care, the child is the case head and the staff designated by the DSS must sign the voucher.

6. Before reissuing a voucher, the child care worker must enter evidence changes and check eligibility. If needed the child care worker can backdate a reissued voucher to the original issuance date. Reissued vouchers can also be dated to correspond to other time periods such as a period of care by a different provider.
7. If new evidence and reassessment change the eligibility period, the voucher must be reissued with revised dates. When a voucher is reissued, the status of the voucher will change from 'cancelled' to 'reissued' and a new voucher (covering the same dates) is generated with 'Pending Parent Signature' status.

C. Distribution of the Child Care Voucher

Copies of the completed child care voucher are maintained at the DSS/LPA and are distributed as follows:

- 1.The voucher is available in NC FAST
- 2.The original copy is filed at the DSS/LPA.
- 3.Voucher is available to the provider and can be retained through the NC Fast Provider Portal.
- 4.A copy is given to the recipient.