

I. CHAPTER OVERVIEW

Families apply for subsidized child care services at the local purchasing agency (LPA). This chapter provides an overview of the application process as well as guidelines for implementing a plan of care.

II. INITIAL INTERVIEW

Subsidized child care services may be provided to families demonstrating a need for child care and who have been determined eligible for services. The eligibility requirements below must be discussed with the applicant during the initial interview and all requirements met to authorize child care services.

When an applicant has been determined eligible for Food and Nutrition Services (FNS), they are deemed income eligible for child care services. Some of the information needed at the initial interview can be found on the Food Stamp Information System (FSIS) screens. This includes members of the income unit, child's age, race, citizenship status, and income. Using the information from FSIS as the first step of the interview process will help streamline the application process.

The provision of subsidized child care services for reasons other than those listed below may occur if other funds are available to the agency such as Smart Start. Subsidized child care services provided with Smart Start funds for reasons other than those described in this manual must be included in the local partnership's Smart Start Plan and approved by the North Carolina Partnership for Children (NCPC). Smart Start funds can provide services for preschool age children only.

A. Residency Requirements

An applicant requesting child care services must be a resident of North Carolina and must apply for services in the county in which she resides and that county is responsible for payment. There is no requirement for duration of residency.

The residency requirement does not apply to some situations, such as protective services cases under the terms of interstate compacts or in response to court orders.

NOTE: When a child who is not in the custody of the department of social services is removed from his home through the Multiple Response System (MRS) and placed in another county, the county which implements MRS is responsible for payment. However, the county where the child is placed has the option to pay for care if funding is available.

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Counties have the option to provide services to families who reside in other counties under the following circumstances:

1. When a family who is currently receiving subsidy services moves to another county within the state and subsidized child care funds are not available in the new county, causing an interruption of services if child care services were terminated; and
2. When a child is in foster care outside the county which has custody, the county department of social services that has custody of the child has responsibility for payment; however, it is allowable for the county department of social services where the child resides to pay for care if funding is available.

NOTE: The county department of social services with custody may take the application and determine eligibility of the foster child, or the county where the child resides may determine eligibility because the foster parent or relative caring for the child is requesting services.

B. Citizenship Requirements

1. One of the following citizenship criteria must be met:
 - a. Applicant is a U.S. Citizen;
 - b. Child is a U.S. Citizen; or
 - c. Applicant or child is a legal U.S. Non-Citizen (residing in U.S. legally).

Subsidized child care services may be provided to *non- citizens who are legal residents* if the other eligibility criteria are met. *Non-citizen families who are not legal residents* (including the child and the parents) may receive services in the following instances if all other eligibility criteria are met.

- (1) If the child needs child care to support child protective services or the child is receiving foster care services; or
- (2) If the child needs child care to support his/her developmental needs.

NOTE: Children who are U.S. citizens (including children born in the U.S. whose parents are not citizens or legal residents) may receive child care services to support any need criteria if all other eligibility criteria are met.

2. Verification

The applicant's statement regarding citizenship or residency is accepted unless there is a reason to question the individual's legal status. If citizenship is questionable, a birth certificate or hospital/physician record is acceptable verification of the child's citizenship status. The burden of proof regarding documentation of legal status or residency rests with the applicant. For additional information regarding the type of documentation that may be used to document legal status, refer to Section 111 in the [Work First Manual](#). If residency is questionable, verification may be obtained or requested to determine residency status. The Division does not require workers determining child care eligibility to report any citizenship or residency information to Immigration and Naturalization Service.

NOTE: If the applicant is a recipient of Work First Family Assistance benefits, citizenship and residency were established at the time of application for Work First Family Assistance benefits.

C. Age of the Child

A child meets the age requirement if she is:

1. Birth through 12; or
2. 13 through 17, when one of the following situations is documented in the case record.
 - a. Child has a special need or circumstance which could include a documented medical situation.
 - b. Child is under court-ordered supervision.
 - c. Child is receiving child protective services or foster care services.
 - d. Child would be left in an unsafe situation if care were not provided. For example, a single parent works second or third shift and the child would be home alone at night.

NOTE: A child may be eligible for [Adult and Family Services](#) once she reaches her eighteenth birthday.

When a child becomes eligible for kindergarten services in public school (turns age five (5) on or before August 31 of that school year), child care services may only be provided during those days and hours that the regular school program is not in operation.

However, there may be case-specific situations when it is in the best interest of the child to delay entry into the public school system. An example may be when the child just meets the cutoff date to be eligible for public school but is small or immature for her age or has some other developmental delays and the child would benefit from continuing to receive preschool care for an additional year. The reason for the child not enrolling in public school must be documented in the record based on written information submitted by a professional who has evaluated the child's readiness for school. In any case, child care may not be provided for more than one (1) year past the date the child is eligible to begin kindergarten.

NOTE: A school-age child is defined as a child who will reach the age of five (5) on or before August 31 of that school year and is enrolled in a public or private school or if less than five (5)-years-old, a child who is enrolled in a public or private school during the school year in accordance with the rules of the educational institution where the child is enrolled.

D. Reason Child Care is Needed

In order to qualify for child care services; the family must need care for one of the following reasons:

1. To maintain or seek employment;
2. To support child protective services;
3. To attend school or job-training activities that lead to employment;
4. To meet the developmental needs of children;
5. To support child welfare services; or
6. Other reasons as approved by the local Smart Start partnership, if Smart Start funds are used.

Specific information regarding these criteria is provided in [Chapter 5: Establishing Need and a Plan of Care](#).

E. Income Eligibility Requirements

The family applying for subsidized child care services must meet income eligibility requirements in order to be approved for services unless the service

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is available without regard to income. Refer to [Chapter 7: Family Definition and Determining Income Eligibility](#) for more information about income eligibility.

F. Parental Fees

If the family is eligible for subsidized child care services, the parent may be required to pay a parental fee, i.e., a portion of the cost of care. The parental fee is assessed based upon the family's income and family size. Specific information about assessing parental fees can be found in [Chapter 8: Parental Fees](#).

III. APPLICATION PROCESS**A. Any of the following individuals may apply for child care services:**

1. A parent or responsible adult needing child care services. The parent or responsible adult refers to the person or persons with whom the child lives and who has primary responsibility for the care and well-being of the child. Refer to [Chapter 7: Family Definition and Determining Income Eligibility](#) for more information.
2. A representative for the parent or responsible adult if the parent or responsible adult is incompetent or incapacitated and needs child care services.
3. Staff designated by the DSS director if the child is in custody of the county department of social services. Designated staff may sign the application if child care services are needed to support child protective services or child welfare services.

NOTE: Authorized representatives who apply for child care services for the parent or other responsible adult have the same responsibility as parents to provide accurate and complete information to the LPA.

Social security numbers are not required to determine eligibility for subsidized child care services; however, this information may be requested for child only cases. Parents or other responsible adults may voluntarily provide the social security number of the children for whom services are requested.

B. Application Form Requirements

A formal request for subsidized child care services must be initiated by completing a written application. The Application for Child Care Services ([DCD-0456](#)) must be completed by the designated staff person and the

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Recipient Responsibilities for Subsidized Child Care Services ([DCD-0106](#)) must be completed by the parent or responsible adult. The parent or responsible adult or designated staff person (if the child is in county custody or if services are needed to support CPS, CWS) must sign the application at the time of initial determination of eligibility and during routine redetermination of eligibility to verify the information on the application.

Redetermination of eligibility must be made at least every twelve months (refer to [Chapter 11: Responding to Eligibility Changes and Redetermination](#) for more information). Clients are encouraged to come to the agency to apply for child care services unless doing so presents an extreme hardship on the client. In these cases, the application with instructions may be mailed to the applicant or recipient. Refer to the Application for Child Care Services ([DCD-0456](#)) and instructions for completion.

All individuals who request subsidized child care services must be allowed to sign an application unless the county does not have sufficient funding to serve additional families. When either funds or child care spaces are not available and services cannot be provided immediately, **counties are required to establish and maintain a waiting list**. Refer to [Chapter 10: Waiting List Policies](#) for more information.

C. Establishing the Initial Eligibility Period

1. Standard Eligibility Period

The local agency has 30 calendar days from the date the application is signed to determine eligibility. Eligibility determination is valid for twelve months for child care services provided the client remains eligible. The twelve month period of eligibility begins on the date the application was signed if eligibility is established no more than 30 calendar days from that date.

EXAMPLE: If a parent/responsible adult applies for child care services on 6-17-2002, and eligibility is established during this 30 day period, the eligibility period is 6-17-2002 through 6-16-2003. **If eligibility is not determined within 30 days, the application is denied and the twelve month eligibility begins on the date the new application is signed.**

2. Abbreviated Eligibility Period

Special situations in which an eligibility period of less than twelve months is established are limited to instances in which the need for care supports an abbreviated eligibility period. For example, if a parent/responsible adult is approved for child care for 30 days to seek

employment, an eligibility period may be established for the 30 day period. Or instances where services are needed for a short period of time such as when a parent/responsible adult requests child care services for her school-age child who needs care for the two (2) week school holiday period in December.

3. Vouchers with Limited Time Period

There are instances when the LPA may receive one-time funding or nonrecurring funds as a result of the reversion and reallocation process. The LPA may use the funds to issue a voucher for a specific period of time that is less than 12 months. However, the parent's 12-month eligibility period does not change. Vouchers issued for a limited time can only be used when the county has received one-time funding. The LPA can use the funds to pay for transportation, registration fees, serve families on the waiting list, provide care during the summer, or for other short periods of time. Parents should be informed that child care services can not be extended beyond the eligibility period indicated on the voucher or beyond the end of the state fiscal year, whichever comes first. Child care workers must initial and date the comment section of the time limited voucher to indicate it has been reviewed with parents. Parents must also initial and date the comment section on the voucher to indicate that they understand that the voucher is for a period less than 12 months. Child care workers and parents should use this time period to identify other programs or local resources to assist with offsetting the cost of child care after the time limited voucher expires. (Refer to [Chapter 9: Parental Choice and Voucher Procedures](#)).

D. Notifying the Applicant at Initial Application

The applicant must be notified of any eligibility decision within 30 calendar days after the date of application. A copy of the application serves as notice. Failure by the applicant to provide the required information to determine eligibility within the 30-day time frame is an allowable reason for the application to be denied.

IV. AUTHORIZING CHILD CARE SERVICES

A. Determining a Plan of Care

When a family has been determined to meet all eligibility criteria, the child care worker must then work with the family to determine what type of child care arrangement best meets the needs of the child and family. Refer to [Chapter 5: Establishing Need and a Plan of Care](#). The circumstances that justify the need for child care services and the plan of care must be documented in the case record.

B. Issuing the Child Care Voucher

The Child Care Voucher ([DCD-0446](#)), which authorizes eligibility for subsidized child care services, must be issued to the parent/responsible adult for each child in need of services. Refer to [Chapter 9: Parental Choice and Voucher Procedures](#) for instructions regarding issuance of vouchers.

V. DOCUMENTATION

Documentation in the family's case record must provide adequate information regarding eligibility and the plan of care. The reason care is needed and income information must be indicated on the Application for Child Care Services (DCD-0456). Supporting information should be documented on the DSS-1325, a locally developed case narrative, on the back of the application or can be attached to the application. Information from the application does not have to be repeated in the case narrative; however, the circumstances which create the need for care must be fully described in the narrative. If the required information is recorded on other forms in the case record, such as the Application for Child Care Services ([DCD-0456](#)), Child Care Voucher ([DCD-0446](#)) or Child Care Action Notice ([DCD-0450](#)), it is not required that the information be repeated in the case narrative. A sample narrative form ([Attachment 1](#)) is provided at the end of this chapter.

The narrative tells the story of what is happening to the client and records the initial office visit, initial application, redeterminations and reviews, as well as telephone calls reporting changes. **The date the information was received and the initials of the person entering the information must also be included.** Narrative documentation must be updated as needed with the most current information filed in the record on top.

A. The following documentation must be provided in the narrative if not included elsewhere in the case record or in the supporting documentation:

1. Document circumstances to justify the need for child care services and the plan of care.
2. Explain the rationale for the method of averaging income, if applicable.
3. Identify the place of employment and work schedule. In cases where there are two foster parents in the home, the place of employment and work schedule must be included for both foster parents if the need for care is to support employment.

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4. Identify the education or training program, goals, schedule, travel and study time.
5. Describe the basis on which developmental needs or delays or risks of delays were determined.
6. Explain any unusual circumstance such as third (3rd) shift work and first (1st) shift care.
7. Record the basis for denial, reduction or termination of services or any change, i.e., change in schedule or type of child care arrangement, employers, or shifts.
8. Record periodic reviews as required.

B. Other supportive documentation, if applicable, must include:

1. Written documentation that verified information from the FSIS screen has been viewed by the child care worker, or printed copies of pages 1 and 2 of the FSIS transaction screen.
2. Written referral from the CPS worker to support the need for child care and that it is an open case with the child in his/her own home.
3. Written referral from the foster care worker to support the need for care indicating placement of the child in a licensed foster home or with an adult other than their parents. Refer to Chapter 4: Application, Eligibility Determination and Documentation, Attachment 2 for a sample referral form.
4. Written referral from the Work First Employment Services worker to support the need for child care services to support employment and activities leading to employment.
5. Information about the payment of a special needs supplemental rate that is not included on the Child With Special Needs Additional Expense Documentation form (DCD-0454A).

Other information may be added to the case narrative as needed.

VI. PREVENTION OF OVERPAYMENTS AND FRAUD

The key to preventing fraud and inadvertent errors is skillful interviewing during the initial application, during reviews and when changes in the family's situation occur. Therefore, the child care worker should ask the applicant/recipient specific questions, evaluate her reaction and document the responses. The questions are to be phrased in an understandable way and the applicant/recipient must be given ample time to respond in her own words.

At recipient *application and review*, the child care worker should:

- A. Explain to the applicant/recipient, *before the Application For Child Care Services (DCD-0456) is filled out*, her obligation to give accurate and complete information regarding the need for subsidized child care services and her family circumstances.
- B. Ask if she has been disqualified from receiving subsidized child care services in any county.
- C. Discuss the information on the reverse side of the Application For Child Care Services (DCD-0456) that addresses rights and responsibilities, hearings and appeals, and sanctions. See [Chapter 11: Responding to Eligibility Changes and Redetermination](#) for more information on appeals and hearings.
- D. While completing the Application For Child Care Services (DCD-0456), ask why subsidized child care services are needed, including specific information regarding the days and hours care is needed. Determine the family unit, calculate income and parent fee correctly, and obtain verification of income.
- E. Read and explain the Recipient Responsibilities for Subsidized Child Care Services ([DCD-0106](#)) with the applicant and obtain her signature. File the original in the family's child care case record and give a copy to the applicant.

Other preventive measures include establishing intra-agency communication among the various units in the DSS by developing a systematic way to report changes and exchange information. In order to obtain prompt and accurate information needed to determine eligibility, it is important to establish a good working relationship with other agencies, employers, and institutions as well.