11001 Overview of the Child Care Policy Manual

The purpose of this manual is to outline the policies governing the Division of Social Services (DSS) Child Care Subsidy Program. This program is a collection of multiple federal and State grants, which the Division chooses to combine into one seamless Child Care Subsidy Program. Therefore, except where specific differences are noted, the policies contained in these pages apply as one uniform standard to all individual child care funding sources.

The Division created a seamless Child Care Subsidy Program to ease the decisions child care staff make and to make it possible for families to continue receiving subsidized care as long as they remain eligible. The heart of the seamless system is a common fee scale, a standard set of payment rates, and a funds account management system all built around a sophisticated information system. The Child Care Management Information System (CCMIS) is an important part of the Division's Child Care Subsidy Program. It not only supports the information needs of staff, but also manages their major policy concerns. Therefore, staff should use this Policy Manual in conjunction with the CCMIS User Manual to both understand and operate the Division's Child Care Subsidy Program.

The Child Care Subsidy Program Policy Manual is arranged much like the TANF Public Assistance Manual. The first section covers administrative functions, such as the purpose and goals of the program. The next section covers technical and financial eligibility for child care assistance. The third section covers application processing and the fourth section covers various items from parental rights and responsibilities to overpayments. The last section covers provider issues.

Each section is numbered in succeeding order, beginning with the 11001 series, e.g. 11001, 11002, 11003, etc. Policies which have more than one reference are numbered as follows: 11003 is the policy reference defining eligibility requirements, while 11003.1 refers to technical requirements, further defining eligibility requirements.

11002 Administration

This section discusses the following administrative policies:

A. Purpose of Delaware’s Child Care Subsidy Program,
B. Goals,
C. Services Provided,
D. Persons Eligible,
E. Responsibility for the Administration of Delaware’s Child Care Subsidy Program,
F. Legal Authority,
G. Other Administrative Policies,
H. Seamless Services, and
I. Definitions and Explanation of Terms.

11002.1 Purpose Of Delaware’s Child Care Subsidy Program

The purpose of Delaware’s Child Care Subsidy Program is to provide support to Delaware families who need care and who need otherwise cannot pay for all or part of the cost of care.

9 DE Reg. 572 (10/01/05)

11002.2 Goals

The goal of the Child Care Subsidy Program is to supplement the care and protection that children receive from their parents. This supplemental care is necessary when parents/caretakers must be apart from their children during a portion of a 24-hour day because:

A. the children's parents/caretakers work,
B. the children's parents/caretakers must participate in a DSS Employment and Training program and attend school or participate in a training program which leads to employment,
C. the children or parents have a special need requiring either one of them to be out of the home, or
D. the children need to be protected from neglect and/or abuse.

Child care provided under these circumstances enables families:

A. to achieve and maintain independence;
B. to provide care, protection, health, supervision, social experience and learning opportunities which are essential to a child's growth and development; and
C. to maintain the bonds of family unity.

10 DE Reg. 1007 (12/01/06)

11002.3 Services Provided
Delaware's Child Care Subsidy Program offers the following services:
A. an evaluation of the need for child care services;
B. a determination of financial eligibility;
C. an assessment of the family's child care needs;
D. an explanation of the available types of child care, the choices parents/caretakers have regarding these provider types, and various provider requirements such as licensure, health, and safety;
E. an explanation of the State's payment rates and fee scale, including a discussion of how DSS assesses fees, where fees are to be paid, what happens if they are not paid, and how parents/caretakers are to keep DSS informed of changes that affect fees; and
F. an explanation of parent/caretakers' rights as recipients of DSS subsidized child care, including:
   1. the right to retain legal rights to their child while the child is in care,
   2. the right to make decisions about the choice of child care and child care provider,
   3. the right to request information about any substantiated parental complaints on any licensed or license-exempt child care provider, and
   4. the right to appeal any denial and/or termination of child care services.

11002.4 Persons Eligible
DSS provides child care services to eligible Delaware families with children who need care and who are under the age of 13, or children 13 through 18 years of age who are physically or mentally incapable of caring for themselves or who are in need of protective services.

Under Title IV, Sections 401 and 402 of the Personal Responsibility and Work Opportunity Act of 1996, the Division is prohibited from using CCDBG and SSBG funds to pay for child care services for most persons who are not U.S. citizens. At State option, the Division may choose to use State only funds to pay for child care services for such persons. Certain aliens are exempt from this restriction for a period of five (5) years from the date of obtaining status as either a refugee, asylee, or one whose deportation is being withheld. In addition, aliens admitted for permanent residence who worked forty (40) qualifying quarters and aliens and their spouses or unmarried dependent children who are either honorably discharged veterans or on active military duty are exempt from this restriction. For more detailed child care policy on citizenship, aliens and refugee's see DSSM 3024, these policies apply to the Child Care Subsidy Program.

The Division can provide Child Care services for eligible families where there is at least one U.S. citizen, legal alien or qualified refugee in the family. If one member of the family is a U.S. citizen, legal alien or qualified refugee and he/she meets both technical and financial eligibility criteria, Child Care services can be provided. The Division will evaluate non-US citizen cases on an individual basis.

Non-US citizens referred to the Child Care Subsidy Program through the Division of Family Services, due to a protective need, are eligible to receive services regardless of their citizenship status.

This policy must also be read in accordance with Section 11003, Eligibility Requirements. DSS provides a guarantee for certain forms of Child Care (Categories 11, 12, and 21). This guarantee means that eligible families will receive child
care services under these programs. Eligibility for other child care services (Categories 31, 41 and 51) does not come with this same guarantee. Funding for child care services in these programs is capped. Though families may have an eligible child for whom they need care, and though families may meet other requirements of need and income, this does not guarantee that DSS will provide child care. DSS reserves the right for its capped programs to limit, where appropriate, its child care services based on available resources and funding.

Eligible families generally include:

A. TANF recipients who work, attend school or are participating in TANF Employment and Training activities.
B. Families with low incomes, who work.
C. Families with low incomes who attend a job training or education program as defined in section 11002.9.
D. Families who receive Food Stamps and who must participate in E&T.
E. Families who receive or need to receive protective services through the Division of Family Services.
F. Eligible-families with a special need (either a child or parent).

9 DE Reg. 572 (10/01/05)

11002.5 Responsibility For The Administration Of Delaware's Child Care Subsidy Program
The Department of Health and Social Services (DHSS) is the agency designated by the State as responsible for Delaware's Child Care Subsidy Program. These child care services are established under the auspices of Title IV-A and Title XX of the Social Security Act, Public Law 101-508 of the Omnibus Budget Reconciliation Act of 1990, and Title 31 of the Delaware Code. Within DHSS, DSS assumes day-to-day responsibility for the administration of child care. This responsibility includes, but is not limited to:

A. developing child care policies and procedures;
B. determining eligible families;
C. setting fiscal policies, including establishing reimbursement rates, creating a parent fee scale, and determining eligibility income limits;
D. collecting, analyzing, and maintaining statistical data on clients who receive services;
E. establishing contracts with child care providers and other interested agencies to carry out the purpose and goals of Delaware's Child Care Subsidy Program; and
F. coordinating with other public and private agencies to ensure and improve the availability and quality of child care.

11002.5.1 Responsibility for Direct Administration of Delaware's Child Care Subsidy Program
Within DSS, direct responsibility for Delaware's Child Care Subsidy Program rests with the Policy and Program Development Unit, DCIS, and the Employment and Training Unit.

The Policy and Program Development Unit assumes primary responsibility for integrating all child care grants into one uniform child care program. This integration includes the development of common policies and practices to ensure continuity of services for all families participating in Delaware's Child Care Subsidy Program.

DCIS through the CCMIS assumes primary responsibility for the development and maintenance of systems designed to support the information needs of both field and administrative personnel. DCIS does this through the recording of client and child care provider data. In addition, the CCMIS provides administration with needed case management and administrative reports for management decision making and to meet federal reporting requirements.

The Employment and Training Unit assumes responsibility for the day-to-day operation of Delaware's Child Care Subsidy Program. These responsibilities include:

A. referring children to Head Start and other profit/non-profit facilities for service,
B. coordinating wrap-around services for Head Start eligible children,
C. coordinating with Delaware Early Childhood Center and others to screen and evaluate disability services,
D. coordinating with local school districts for before and after school care for children eligible for services,
E. providing information to families and others on the availability of subsidized funding for persons in need of child care,
F. soliciting and contracting with child care providers,
G. monitoring child care providers,
H. developing strategies for improving the availability and quality of child care services, and
I. determining eligibility.

11002.6 Legal Authority
The Delaware Child Care Subsidy Program operates under authority of both State and federal laws and regulations. The State grants authority under Title 31 of the Delaware Code. Federal authority is granted through Title XX of the Social Security Act, and Work Requirements under Section 273.7, Title 7, Chapter II of the Revised Code of Federal Regulations, and the Child Care and Development Block Grant as amended by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996.

11002.6.1 State Law
The State Law governing the Child Care Subsidy Program is Title 31, Part I, Chapter 3, Subchapter VI, Delaware Code - Section 391. Intent and Purpose. The intent and purposes of this subchapter of the State Law are to:
A. provide child day care facilities available within this state so as to provide safe, adequate, economical care for children whose mothers, fathers, guardians, or custodians are employed or are seeking employment or are enrolled in training or education courses or where this service would contribute to the resolution of family problems;
B. secure by decentralized neighborhood management the highest attainable degree of assurance that each child day care center will properly and economically meet the needs of those children who can make the best use of that service within their neighborhood under supervision of the Division of Social Services with that objective in view.

11002.6.2 Federal Law/Regulation
In addition to the State Law noted above, Delaware's Child Care Subsidy Program operates under the authority of several rules, including:
A. Providing child care to families receiving TANF benefits who must participate in Delaware’s TANF Employment and Training activities or to persons who work and receive TANF (Categories 11 and 12).
B. Title 7, Chapter II of the Code of Federal Regulations, Part 273.7(d)(iv)(3)(i) states: “The State agency will reimburse the cost of dependent care it determines to be necessary for the participation of a household member in the E&T program up to the actual cost of dependent care, or the applicable payment rate for child care, whichever is lowest. The payment rates for child care are established in accordance with the Child Care and Development Block Grant provisions of 45 CFR 98.43, and are based on local market rate surveys. The State agency will provide a dependent care reimbursement to an E&T participant for all dependents requiring care unless otherwise prohibited by this section.” Such child care is provided as part of the State's Food Stamp Employment and Training Program previously known as First Step - Food Stamps (Category 21).
C. The Child Care and Development Block Grant (part of Categories 31 and 41) as amended by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996.
The purpose of the CCDBG as stated in Rule 98.1 of the CFR is, "to increase the availability, affordability, and quality of child care services." The goals of the grant are:
1. to provide low-income families with the financial resources to find and afford quality child care,
2. to enhance the quality and increase the supply of child care for all families,
3. to provide parents/ caretakers with a broad range of options in addressing their child care needs,
4. to strengthen the role of the family,
5. to improve the quality and coordination of child care programs and early childhood development programs, and
6. to increase the availability of early childhood development and before and after school services.
D. Title XX of the Social Security Act and the Omnibus Budget Reconciliation Act of 1981 establishes child care under the Social Services Block Grant (part of Categories 31 and 41).
The purpose of child care services provided under SSBG is to provide support to families with young children in order for parents to work, obtain training, or receive an education. The program also allows child care to meet the special needs of the child or for the child's protection in cases of abuse and/or neglect.

9 DE Reg. 572 (10/01/05)

11002.7 Other Administrative Policies

Case Managers are to view Child Care Policy as an extension of the DSS Policy Manual. It is part of the whole. Therefore, policies on Administration and Fair Hearings contained in DSSM 1000 and DSSM 5000 equally apply to the Child Care Subsidy Program and the Case Managers who administer it.

Specifically, Case Managers must be familiar with the following corresponding policies on Administration:

- 1002 - Courteous Treatment of Clients
- 1003 and 1003.1 to .4 - Confidentiality
- 1004 - Records to be Kept in Locked Files
- 1005 and 1005.1 - Case Record Maintenance and Retention
- 1006 and 1006.1 to .7 - Civil Rights and Non-Discrimination
- 1007 and 1007.1 to .6 - Complaint Procedures
- 1008 - Availability of Program Manuals
- 1009 - Procedures for Serving Non-English Speaking Hispanic Clients
- 1010 - Procedures for Serving Hearing Impaired Clients

In addition, Case Managers must be familiar with the entire section of DSSM 5000, Fair Hearing Practices and Procedures.

10 DE Reg. 1007 (12/01/06)

11002.8 Seamless Services

The DSS Child Care Subsidy Program operates under the authority of different funding sources, with each source uniquely setting mandates for providing child care services to families. However, the Division combines these sources into one seamless program.

Seamlessness means that families can reasonably expect to continue to receive child care services with the same provider as long as families remain basically eligible (income and need) for services. Therefore, except where specific differences are noted, the policies in this manual act as a uniform standard for our Child Care Subsidy Program.

11002.9 Definitions and Explanation of Terms

The following words and terms, when used in the context of these policies will, unless clearly indicated otherwise, have the following meanings.

**Authorization**
Form 618d or 626 is the parents/caretakers authority to receive subsidized child care services and is the provider's authority to provide subsidized child care services to eligible parents/caretakers. The authorization informs providers how much care a parent is authorized to receive, what DSS will pay the provider, and what parents/caretakers must pay as part of their fee.

**Caregiver/Provider**
The person(s), other than the parent/caretaker, whom DSS approves to provide child care services or the approved place where care is provided.

**Caretaker**
The adult responsible for the primary support and guardianship of the child. As used here, this adult is someone other than the child's parent who acts in place of the parent. If a caretaker is unrelated to the child and has not been awarded custody by Family Court or guardianship, the caretaker is referred to the Division of Family Services to make a determination to either approve the non-relative placement or remove the child.
Child Care and Development Block Grant. 45 CFR Parts 98 and 99 created by the Omnibus Budget Reconciliation Act of 1990 to provide federal funds without state match to:
1. Provide child care to low income families
2. Enhance the quality and increase the supply of child care
3. Provide parents the ability to choose their provider
4. Increase the availability of early childhood programs and before and after school services. Under the Division's DCIS II Child Care Sub system, CCDBG is part of Categories 31 and 41

Code of Federal Regulations. These are the rules the Federal Government writes to implement federal legislation. Once written and approved, they have the force of law.

Child Care Management Information System, the name used to describe the Division's payment system for child care.

A person under the age of 13, or children 13 through 18 years of age if they are physically or mentally incapable of caring for themselves or are in need of protective services.

The DCIS II Child Care Sub system code for the child care funding source. Case Managers choose category codes based on the parents/caretaker's technical eligibility for service. The codes are:

11 - Participants receiving TANF and not working, but participating in TANF E&T
12 - Participants receiving TANF and working
21 - Participants receiving Food Stamps Benefits who are mandatory or voluntary participants in E&T and not receiving TANF
31 - SSBG, CCDBG, and State funds: Income eligible participants. Participants who receive FS and are not E&T mandatory or voluntary
41 - A participant who is a qualified alien or U.S. citizen is coded as a category 41 when his or her eligibility allows a non U.S. citizen or non-qualified alien to receive child care services. (Example: One child is a citizen and one is not. The citizen child is a 41.)
51 - A participant is coded category 51 when s/he is not a U.S. citizen or legal alien but receives Child Care services due to a family member in category 41

A place where licensed or license-exempt child care is provided on a regular basis for periods of less than 24 hours a day to 13 or more children, who are unattended by a parent or guardian.

A form issued to a parent/caretaker which allows a parent/caretaker to choose a child care provider who does not have a contract with DSS. A certificate is not an authorization for child care, but parents who wish to select a non-contracted provider of their choice cannot get care unless the provider completes one.

The amount the parent/caretaker must pay toward the cost of child care. The fee is based on the income of the parent(s) and children, or the child if the child lives with a caretaker, family size and a percentage of the cost of care based on type of care requested.

Those activities that assist eligible families in the arrangement of child care for their children.

Refers to the setting or place where child care is provided. The four types of care are:
1. Center based (under DCIS II Child Care Sub system Site #17 or 18)
2. Large Family Home (under DCIS II Child Care Sub system Site #16)
3. Family Home (under DCIS II Child Care Sub system Site #15)
4. In-Home (under DCIS II Child Care Sub system Site #19)

Children in families whose income is less than 200% of the Federal Poverty Limit (FPL).

Delaware Client Information System, the automated client eligibility system for the Department of Health and Social Services.
Educational Program - A program of instruction to achieve:
1. A basic literacy level of 8.9;
2. Instruction in English as a second language;
3. A GED, Adult Basic Education (ABE), or High School Diploma;
4. Completion of approved special training or certificate courses;
5. A post-secondary degree where the degree is part of an approved DSS Employment and Training program.

The above definition excludes the pursuit of a graduate degree or second four-year college degree. A second associate’s degree may be attained if it leads to a bachelor’s degree. The completion of a second associate’s degree can be authorized only if it has a significant chance of leading to employment.

Employment - Either part-time or full time work for which the parent/caretaker receives wages equal to minimum wage or an equivalent. It also includes periods of up to three months of continued child care services when parents/caretakers lose one job and need to search for another, or when one job ends and another job has yet to start.

A private residence other than the child’s residence, where licensed care is provided for one to six children who are not related to the caregiver.

The total number of persons whose needs and income are considered together. This will always include the parent(s) (natural, legal, adoptive, step, and unmarried partners with a child in common) and all their dependent children under 18 living in the home.

The program by which certain unemployed mandatory and/or voluntary Food Benefit recipients participate in activities to gain skills or receive training to obtain regular, paid employment. Persons can receive child care if they need care to participate. This is referred to as Food Benefit Employment & Training. Under the Division's DCIS II Child Care Sub system, this is Category 21.

Any type of money payment that is of gain or benefit to a family. Examples of income include wages, social security pensions, public assistance payments, child support, etc.

A family is financially eligible to receive child care services based on the family's gross income. It also refers to child care programs under Category 31.

The maximum amount of gross income a family can receive to remain financially eligible for child care services. Current income limit is 200 percent of the federal poverty level.

Care provided for a child in the child's own home by either a relative or non-relative, other than the parent/caretaker, where such care is exempt from licensing requirements. Care is limited to the child(ren) residing in the household. It also refers to situations where care is provided by a relative in the relative's own home. This care is also exempt from licensing requirements and is also limited to the children of one household.

A program which either establishes or enhances a person's job skills. Such training either leads to employment or allows a person to maintain employment already obtained. Such training includes, but is not limited to: Food Benefit Employment & Training (FB E&T) contracted programs; WIA sponsored training programs, recognized school vocational programs, and on-the-job training programs.

A licensed child care service provided for part of a twenty-four (24) hour day, offered by any person or entity including but not limited to an owner, association, agency or organization that advertises or holds himself, herself or itself out as conducting such a service. This person or entity has in custody or control seven (7) to a maximum of twelve (12) children preschool-age or older who live at and/or are present at the Large Family Child Care Home. In addition to the children preschool-age or younger, this person or entity may also have custody or control of one (1) to a maximum of two (2) school-age children who do not live at the Large Family Child Care Home but are present only for before and after school, and/or during school holidays, and/or during the summer. All of these children are provided care, education, protection, supervision or guidance in a private home or non-residential setting. This does not include a child care service provided exclusively to relatives as defined by these rules.
<table>
<thead>
<tr>
<th>Legal Care</th>
<th>Care which is either licensed or exempt from licensing requirements.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parent</td>
<td>The child's natural mother, natural legal father, adoptive mother or father, or step-parent.</td>
</tr>
<tr>
<td>Parental Choice</td>
<td>The right of parents/caretakers to choose from a broad range of child care providers, the type and location of child care.</td>
</tr>
<tr>
<td>Physical or Mental</td>
<td>A dysfunctional condition which disrupts the child's normal development patterns during which the child cannot function without special care and supervision. Such condition must be verified by either a doctor or other professional with the competence to do so.</td>
</tr>
<tr>
<td>Physical or Mental</td>
<td>Incapacity</td>
</tr>
<tr>
<td>Protective Services</td>
<td>The supervision/placement of a child by the Division of Family Services in order to monitor and prevent situations of abuse or neglect.</td>
</tr>
<tr>
<td>Purchase of Care Plus</td>
<td>Care option that allows providers to charge most DSS clients the difference between the DSS reimbursement rate up to the provider's private fee for service. The provider receives DSS rate, the DSS determined child care parent fee, if applicable, and any additional provider-determined co-pay.</td>
</tr>
<tr>
<td>Reimbursement Rates</td>
<td>The maximum dollar amount the State will pay for child care services.</td>
</tr>
<tr>
<td>Relative</td>
<td>An adult who is by marriage, blood relationship, or court decree, the grandparent, great grandparent, sibling, aunt or uncle of the child receiving care.</td>
</tr>
<tr>
<td>Residing With</td>
<td>Living in the home of the parent or caretaker.</td>
</tr>
<tr>
<td>Seamless Services</td>
<td>To the extent permitted by applicable laws, a family is able to retain the same provider regardless of the source of funding, and providers are able to provide services to children regardless of the basis for the family's eligibility for assistance or the source of payment.</td>
</tr>
<tr>
<td>Self-Arranged Care</td>
<td>Child care which either parents or caretakers arrange on their own between themselves and providers. In this instance, the parents/caretakers choose to use a child care certificate, but the provider does not accept the State reimbursement rate for child care services. DSS limits payment for self-arranged care to its regular provider rates. Parents/caretakers, in addition to any parent fee they pay, must also pay the difference between DSS' reimbursement rates and the providers' charge.</td>
</tr>
<tr>
<td>Self-Initiated</td>
<td>Clients who enter an education or training program on their own. The education or training program must be comparable to a Food Benefit Employment &amp; Training (FB E&amp;T) - TANF education or training component. Self-initiated clients must receive child care services if there is a child care need.</td>
</tr>
<tr>
<td>Special Needs Child</td>
<td>A child under 19 years of age whose physical, emotional, or developmental needs require special care. Both the need and care must be verified by a doctor or other professional with the authority to do so.</td>
</tr>
<tr>
<td>Special Needs Parent/</td>
<td>An adult, who because of a special need, is unable on his/her own to care for children. The need must be verified by a doctor or other professional with the authority to do so.</td>
</tr>
<tr>
<td>Caretaker</td>
<td></td>
</tr>
<tr>
<td>SSBG</td>
<td>Social Services Block Grant. Under the DCIS II Child Care Sub system, this is Category 31 child care.</td>
</tr>
<tr>
<td>TANF</td>
<td>Temporary Assistance for Needy Families, a program established by Title IV-A of the Social Security Act and authorized by Title 31 of the Delaware Code to provide benefits to needy children who are deprived of parental support and care. While on TANF, families are eligible for child care only as long as they are working or participating in a TANF Employment and Training activity (Categories 11 and 12).</td>
</tr>
<tr>
<td>TANF Child Care</td>
<td>The name of the child care program for TANF recipients who work or who are participating in a TANF Employment and Training program. Under the DCIS II Child Care Sub system, this is Category 11 and 12.</td>
</tr>
<tr>
<td>Technical Eligibility</td>
<td>Parents/caretakers meet requirements, other than financial, to receive child care services based on need and category.</td>
</tr>
<tr>
<td>Verification</td>
<td>Written or oral documentation, demonstrating either need for service or sources of income.</td>
</tr>
<tr>
<td>Work Force Investment Act</td>
<td>Federal Legislation that consolidates Employment and Training programs and funding streams. This legislation embodies the One Stop Employment and Training Service system under DOL.</td>
</tr>
</tbody>
</table>

16 DE Reg. 78 (07/01/12)
11003 Determining Technical Eligibility for Child Care Assistance

45 CFR 98.20
PRWORA 401 and 402

This policy applies to applicants for and recipients of child care assistance.

1. Parents/Caretakers Must Meet Certain Eligibility Criteria
   
   To be technically eligible parents/caretakers must have a need that requires them to be out of the home or reasonably unavailable to provide supervision (e.g., a medical condition, needing rest because of working a third shift, etc.).

   A. Parents/Caretakers must be a Delaware resident.
   B. Parents/Caretakers who need services must meet one of the following:
      1. Accept or keep a job;
      2. Participate in a DSS Employment and Training (E & T) program;
      3. Participate in the Transitional Work Program (TWP);
      4. Participate in job search;
      5. Have a break in education/training;
      6. Prevent child abuse or neglect as referred by Division of Family Services (DFS);
      7. Provide care for the children) when the parents/caretakers have a special need;
      8. Enrolled and attending middle school or high school;
      9. Enrolled and participating in a General Education Diploma (GED) program or similar secondary credential assessment approved by the Delaware Department of Education.

2. Children Must Meet Certain Criteria
   
   Children may be eligible if they:

   A. Live in the home and are under the age of 13;
   B. Live in the home and are age 13 to 18 and are physically or mentally incapable of caring for themselves;
   C. Are active with and referred by the Division of Family Services (DFS).

3. Non-Citizens May Qualify for Child Care Assistance
   
   Non-citizens may qualify if:

   A. At least one U.S. citizen or legal alien lives in the household.
   B. Both parents/caretakers meet technical and financial eligibility criteria.
   C. The following aliens qualify for a period of five (5) years from the date of:
      1. Obtaining status as a refugee; or
      2. Obtaining status as an asylee; or
      3. Their deportation is being withheld.
   D. They are aliens admitted as permanent residents who have worked forty (40) qualifying quarters.
   E. They, their spouses or unmarried dependent children are honorably discharged veterans or on active military duty.

11003.1 Technical Requirements

Technical requirements relate to the circumstances which qualify a parent/caretaker for a specific category of child care funding. These circumstances help determine whether a child care need exists, whether DSS guarantees child care, whether DSS considers income, and whether the parent pays a child care fee.
11003.2 Parent/Caretaker in TANF

DSS guarantees child care for a dependent child, or a child who would be dependent except for the receipt of benefits under SSI, when the parent/caretaker receives TANF benefits and it is necessary for the parent/caretaker to:

A. accept employment or remain employed (Category 12),
B. participate in TANF (Category 11), or

Child care is available to a caretaker in the above instance only if the caretaker is part of the TANF assistance unit. The child also needs to be a dependent child.

EXAMPLE 1: A child receiving TANF lives with her grandmother. The grandmother works and needs child care during her hours of employment. Grandmother is not on the TANF grant and is considered a payee only. In this case, Grandmother cannot get TANF Child Care. Because Grandmother has a need, however, she could be eligible for another category of care.

EXAMPLE 2: Grandmother is needy also, and is included on the TANF grant. Grandmother can get TANF Child Care as long as she is working or participating in TANF.

EXAMPLE 3: An TANF recipient with a dependent child is also a foster parent. In order for this recipient to participate in TANF, she needs child care. She can receive care for her dependent child, but because the foster child is not considered a dependent, she is not entitled to TANF Child Care (or other forms of IV-A child care) for her foster child. DSS could provide another category of child care under a Block Grant.

11003.2.1 Sanctioning TANF and Transitional Work Program Recipients

Recipients who fail without good cause to meet requirements for the TANF Employment and Training or Transitional Work Program are sanctioned.

When TANF recipients receive a full family sanction or fail without good cause to comply with the Transitional Work Program (TWP), they lose their TANF Child Care. This means their child care case will close. In order to regain TANF Child Care, recipients must work to cure the sanction by cooperating with their TANF or TWP requirements.

Clients curing their TANF sanction may be eligible for child care under Presumptive Child Care Services (DSSM 11004.8).

13 DE Reg. 1337 (04/01/10)
14 DE Reg. 1373 (06/01/11)
16 DE Reg. 643 (12/01/12)

11003.3 RESERVED

9 DE Reg. 572 (10/01/05)
16 DE Reg. 990 (03/01/13)

11003.4 RESERVED

9 DE Reg. 572 (10/01/05)
10 DE Reg. 1007 (12/01/06)
15 DE Reg. 92 (07/01/11)
18 DE Reg. 697 (03/01/15)

11003.4.1 RESERVED

10 DE Reg. 1007 (12/01/06)
15 DE Reg. 92 (07/01/11)

11003.4.2 RESERVED

10 DE Reg. 1007 (12/01/06)
15 DE Reg. 92 (07/01/11)
11003.5 In-Home Child Care

See Administrative Notice: A-7-99 Child Care Issues

The Fair Labor Standards Act requires that in-home child care providers be treated as domestic service workers. As a result, DSS must pay these providers the federal minimum wage. Paying the federal minimum wage would make the cost of in-home care disproportionate to other types of care. As a result, DSS has placed a limit on parental use of the in-home care option.

A. As of July 1994, in-home care has been limited to:
   1. families in which four or more children require care, or
   2. families with fewer children only as a matter of last resort.

B. Examples of "last resort" may include:
   1. the parent works the late shift in a rural area where other types of care are not available, or
   2. there is a special needs child for whom it is impossible to find any other child care arrangement.

Federal regulations define in-home care as child care provided in the child's own home. In-home care also includes situations where the caregiver and the child share a home.

EXAMPLE 1: Ms. Jones lives at 100 Main Street in Newark. Ms. Jones goes to Mrs. Johnson's house at 200 Main Street in Newark to provide dependent care for Mrs. Johnson's children. Because in-home care is provided, Ms. Jones must be paid at least the federal minimum wage. Ms. Jones must, therefore, be providing dependent care to at least four children.

EXAMPLE 2: Ms. Smith and Ms. Kelly live in the same house at 500 DuPont Street in Wilmington. Ms. Smith provides dependent care for Ms. Kelly's only child in this house. The federal minimum wage provisions do not apply. Ms. Smith would receive the established rate for the one child even though the rate is below the federal minimum wage.
11003.6 Determining Income Eligibility

45 CFR 98.20
This policy applies to applicants for and recipients of child care assistance.

1. Gross Income Is Capped
Gross monthly income must be equal to or less than 200% of the Federal Poverty Limit for the family size.

2. Income Requirement
The income requirement applies to all income eligible child care programs.

Exception: Families referred by and active with the Division of Family Services do not have to meet the income limit.

16 DE Reg. 213 (08/01/12)

11003.7 RESERVED

9 DE Reg. 572 (10/01/05)
15 DE Reg. 1759 (06/01/12)

11003.7.1 Income Eligible/Program Limitation

There is no child care guarantee with the funding sources which make up the income eligible category like there is with TANF and Transitional Child Care. Funding is limited by the amount of DSS’ grant award. This means that DSS cannot serve all the income eligible parent/caretakers who have a legitimate child care need. Though families may be eligible, a lack of available funding will prevent DSS from authorizing service. DSS therefore, reserves the right to limit, where appropriate, its income eligible child care services whenever the demand for income eligible services comes near or matches available funding resources. DSS also reserves the right, under these conditions, to determine who it will serve, when it will serve them, and how it will serve them.

11003.7.2 Income Eligible/Homeless

Parent/caretakers who are homeless and whose incomes are at or below 200 percent of the federal poverty level can receive income eligible services exclusive of meeting any other need requirement. DSS defines homeless as:
A. families living in a shelter or receiving emergency assistance to live in a temporary arrangement (an example of a temporary arrangement are those families receiving assistance to live in a local motel); or
B. families without a fixed address or not living in a permanent dwelling (examples of families without a fixed address are families living in cars or tents, excluding families who live with other families).

DSS will provide child care services to homeless families for up to three months or until the family is able to obtain suitable living arrangements. Once families have obtained suitable living arrangements, child care services can only continue if families have another need for service, such as the family needs child care in order to work.

11003.7.3 Income Eligible/Loss of Employment or Job Transition

Parent/caretakers who lose employment or who have a gap in employment because of a transition between jobs, can continue service for up to three months. Child care services will cease if employment does not begin again after this time.

13 DE Reg. 1088 (02/01/10)

11003.7.4 Income Eligible/Training

Parent/caretakers who participate in a DSS Food Benefit or TANF Employment and Training program can continue receiving child care services for the duration of their participation as long as:

A. the training was part of a TANF or Food Benefit Employment & Training (FB E&T) Employability Development Plan; and
B. there is a reasonable expectation that the training course will lead to a job within a foreseeable time frame (6 to 18 months), such as persons participating in apprenticeship programs, on-the-job training programs, or vocational skill programs.

Child care services can continue for up to three months to allow for breaks between training programs or to allow for an employment search upon completion of training.

10 DE Reg. 1007 (12/01/06)
13 DE Reg. 1088 (02/01/10)

11003.7.5 Determining High School/GED Eligibility and Participation
45 CFR 98.20
This policy applies to applicants and recipients seeking a high school diploma or GED.
1. DSS Requires Parents/Caretakers Meet Certain Eligibility Criterion
Parents/Caretakers who attend high school or GED program can receive Child Care for the duration of their participation.
A. If parents/caretakers are:
   • Attending high school or high school equivalency and have not previously received a high school diploma or GED.
   • Meeting all other financial and technical requirements. (See DSSM 11003.9- Financial Requirements and DSSM 11003-Determining Technical Eligibility for Child Care)

9 DE Reg. 572 (10/01/05)
10 DE Reg. 1007 (12/01/06)
17 DE Reg. 739 (01/01/14)

11003.7.5.1 Determining Post-Secondary Eligibility and Participation
45 CFR 98.20
This policy applies to applicants and recipients who meet Child Care income eligibility requirements.
1. DSS Requires Parents/Caretakers Seeking A Degree Meet Certain Criterion
   Parents/Caretakers who are enrolled in higher education or training programs that lead to a degree or certification/licensure can receive Child Care for the duration of the education program.
   A. The parents/caretakers must be participating:
      • In a DSS TANF Employment and Training (TANF E & T) Program; or
      • In the DSS Food Supplement Program Employment and Training (FS E & T); and
   B. DSS expects the course of instruction will lead to employment.
   C. Parents/Caretakers who already have a Bachelor's degree or higher are not eligible.

17 DE Reg. 739 (01/01/14)

11003.7.6 Income Eligible/Protective Child Care
DSS will provide child care services for children who need to receive or who receive protective services from the Division of Family Services exclusive of other child care needs. DSS will also give service priority to protective children, meaning DSS will provide an exemption to protective children during a waiting list period. However, by agreement with the Division of Family Services, this exemption will only exist for a limited number of protective children. Currently the limitation is 280 children, but is subject to change based on available funding and forecasted need.

10 DE Reg. 1007 (12/01/06)

11003.7.7 Income Waiver
DSS will waive the 200 percent income eligibility limitation for families when the child is receiving or needs to receive protective services. The need for care in this instance is coordinated with the Division of Family Services and is part of a range of services being provided to and/or required of the parent to help ensure the protection of the child.

11003.7.8 Special Needs
45 CFR 98.20
Eligibility
Families requesting Special Needs Child Care must be technically and financially eligible.  

**EXCEPTION:** DFS referrals do not have to meet financial criteria.  
The parent/caretaker must meet the need criteria as listed in 11003.8.  
To be eligible for Special Needs care the parent/caretaker must meet the definition of need as explained below.

### Adults with Special Needs:
A parent/caretaker may be eligible for Special Needs Child Care services if the parent/caretaker has a condition which makes him/her unable to care for his/her child for some portion of the day.

Documentation of the condition may be provided on the Special Needs Form or any other written correspondence submitted by a physician or medical professional with the authority to do so.

**14 DE Reg. 1373 (06/01/11)**

### Children with Special Needs:
A child that is 13 through 18 years of age may be eligible for Special Needs Child Care if the child’s parent/caretaker has a need and is financially eligible. The child’s physical, medical or emotional condition must be such that the child is unable to care for himself or herself.

A child that is younger than 13 years of age who has a special need may be eligible for care if the child’s parent/caretaker has a need and is financially eligible.

Documentation of the condition may be provided on the Special Needs Form or any other written correspondence submitted by a physician or medical professional with the authority to do so.

**14 DE Reg. 1373 (06/01/11)**

### Families with Protective Child Care Needs:
Children referred by the Division of Family Services (DFS) may be eligible for Special Needs Child Care.

A child that is active with and referred by DFS for child care:

1. is considered to have met the need criteria;  
2. does not have to meet the financial criteria;  
3. may receive child care regardless of citizenship status.

### Families with Transitional Work Program Needs:
Children referred by the Transitional Work Program (TWP) may be eligible for Special Needs Child Care.

A parent/caretaker that is active with and referred by TWP for child care:

1. is considered to have met the need criteria;  
2. must have gross household income at or below 200% FPL;  
3. is not required to provide a Medical Certification Form or a Special Needs Form.

DSS staff will authorize childcare for 5 days part time with extended care. Please refer to policy section 11004.9 Authorizing Service. Authorize care for additional time if the parent’s/caretaker’s activities with TWP require more than part time care.

**9 DE Reg. 572 (10/01/05)**  
**10 DE Reg. 1007 (12/01/06)**  
**13 DE Reg. 97 (07/01/09)**  
**13 DE Reg. 1339 (04/01/10)**

### 11003.8 Necessity of Child Care

45 CFR 98.20

For parents/caretakers to receive child care services, DSS must determine if child care is necessary. For two-parent households, both parents must have a need for child care. Child care is necessary when:
A. The child is not in school during the hours of the parent's/caretaker's employment
B. The child is not in school during the hours of the parent's/caretaker's participation in a training or education component of a DSS Employment and Training program
C. The child is active with and referred by DFS for child care (See DSSM 11003.7.8)
D. The parent/caretaker is active with and referred by the DSS Transitional Work Program for child care (See DSSM 11003.7.8)
E. The parent/caretaker has a special need (See DSSM 11003.7.8)

10 DE Reg. 1007 (12/01/06)
11 DE Reg. 1657 (06/01/08)
14 DE Reg. 1373 (06/01/11)

11003.9 Financial Requirements

Child care services are available to families who otherwise cannot pay for all or part of the cost of care. This determination of who cannot afford to pay all, or a portion of the cost of care, is always a determination based on income. The financial requirements, which follow, relate to the circumstances which qualify parent/caretakers for child care services based on income. These requirements help determine whose income to count or not count, what is counted, and when and how to count it.

11003.9.1 Income

45 CFR 98.11(b)(2)

A. Countable income. All sources of income, earned (such as wages) and unearned (such as child support, Social Security income, etc.) are countable income when determining a family's monthly gross income. Monthly gross income includes the following:

1. Money earned from work performed as an employee, including wages, salary, Armed Forces pay, commissions, tips, piece rate payments and cash bonuses. Count the amount earned before deductions are made for taxes, bonds, pensions, union dues, etc. This is gross income. Wages need to be equal to the federal minimum wage or an equivalent.

   Earnings from self-employment are counted after applying a standard deduction for self-employment expenses. To get the self-employment deduction, self-employed households must verify at least one business cost to produce income.

   Self-Employment Standard Deduction for Producing Income
   The cost for producing income is a standard deduction of the gross income. This standard deduction is a percentage of the gross income determined annually and listed in the Cost-of-Living Adjustment (COLA) notice each October. The standard deduction is considered the cost to produce income.


B. Disregarded Income

Monies received from the following sources are not counted:

1. per capita payments to or funds held in trust for any individual in satisfaction of a judgment of Indian Claims Commission or the Court of Claims;

2. payments made pursuant to the Alaska Native Claims Settlement Act to the extent such payments are exempt from taxation under ESM 21(a) of the Act;

3. money received from the sale of property such as stocks, bonds, a house or a car (unless the person was engaged in the business of selling such property, in which case the net proceeds are counted as income from self-employment);

4. withdrawal of bank deposits;

5. money borrowed or given as gifts;
6. capital gains;
7. the value of USDA donated foods;
8. the value of supplemental food assistance under the Child Nutrition Act of 1966 and the special food service program for children under the National School Lunch Act, as amended;
9. any payment received under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970;
10. loans or grants such as scholarships obtained and used under conditions that preclude their use for current living costs;
11. any grant or loan to any undergraduate student for educational purposes made or insured under any program administered by the Commissioner of Education under the Higher Education Act;
12. home produce used for household consumption;
13. all of the earned income of a child under age 18 who is a student who is working but is not a full-time employee (such as high school students who are employed full-time during summer);
14. all payments derived from participation in projects under the Food Benefit Employment & Training (FB E&T) program or other job training programs;
15. all Vista income; and
16. all income derived as a Census taker.

Resources (such as cars, homes, savings accounts, life insurance, etc.) are not considered when determining financial eligibility or the parent fee.

9 DE Reg. 564 (10/01/05)
11 DE Reg. 1488 (05/01/08)
14 DE Reg. 178 (09/01/10)

11003.9.2 Whose Income to Count

In all Categories, count all income attributable to the parent(s) and children included in the family size according to section 11003.9.1 as family income. Family size as used here means those persons whose needs and income are considered together as defined in section 11003.9.3. A person who acts as a child's caretaker (as defined in Section 11002.9), is not included in the definition of family. In this instance, any income attributable to the child or children is the income which is counted.

Income of active DFS referrals/cases is excluded. Active DFS referrals/cases do not need to meet financial eligibility.

9 DE Reg. 572 (10/01/05)

11003.9.3 Family Size

The people whose needs and income are considered together comprise the definition of family size. Family size is the basis upon which DSS looks at income to determine a family's financial eligibility and the child care parent fee. Therefore, knowing who to include in the determination of family size is an important part in deciding financial eligibility. Rules to follow when considering family size are relationship and whose income is counted.

In all instances, the people counted together for family size when determining financial eligibility are the same people counted for family size when determining the family's child care parent fee.

A. Family size is defined as parents (natural, legal, adoptive, step, and unmarried partners with a child in common) and their children under 18 living in the home, will always be included together in the determination of family size.

EXAMPLE 1: Ms. Brown, a single mother, lives together with her two year old daughter. She is applying for child care as a Category 31, income eligible case. Mrs. Brown and her daughter are a family size of two.

EXAMPLE 2: Susan Jones and Mark Evans live together as unmarried partners. Susan has a one year old child from a previous relationship. She applies for Category 31 child care. Susan and her child are a family size of two. Mark is not counted. His income is not considered since he is not the father of the child and there is no child in common between Susan Jones and Mark Evans. (NOTE: If Mark Evans admits to being the natural parent of the child, his income is counted and this is a family of three.)
EXAMPLE 3: Ms. Johnson, a single parent, has three children ages 13, 10, and 5. She works and needs child care for her youngest child who attends preschool. She is applying for Category 31 child care. Even though she needs care for only one child, her family size is a family size of four when looking at financial eligibility.

EXAMPLE 4: Ms. Green cares for her three year old niece. Ms. Green works and needs child care. Since Ms. Green is not the parent of the child, she is considered a caretaker. Therefore, Ms. Green's income is not counted and she is not included in the family composition. Ms. Green's niece is considered a family size of one and any income attributable to the niece is countable income.

EXAMPLE 5: Mom and step-dad live with mom's two children, ages two and five, from a previous marriage. Mom and step-dad both work and need child care. Mom, step-dad, and her two children are a family size of four. Step-dad is included.

EXAMPLE 6: Mom and step-dad live with mom's three year old child from a previous marriage. Step-dad also has a five year old child from a previous marriage living in the home. Mom and step-dad both work and need child care. This family is a family size of four.

EXAMPLE 7: Mom and her unmarried partner have a child in common. Mom and the unmarried partner also have one child each from previous relationships. Since Mom and the unmarried partner have a child in common the needs and income of each parent will be considered for all three children. This would be a family size of 5. In this example the Child Care Sub system will first build the family together as one AG. If the AG fails the system will break this family down into 3 AG’s to determine as many persons eligible as possible. The three AG’s would be Mom, unmarried partner and child in common, Mom and child from a previous relationship, unmarried partner and his child from a previous relationship.

B. Adults who are not the natural, legal, adoptive, or step-parent of any of the children under 18 living in the home are not included when determining family size and child are fee.

EXAMPLE: Mom lives with her grandmother. Mom has two children ages 10 and 6 for whom she needs after-school care. Mom and her two children are considered a family size of three. Grandmother is not included because she is not the parent of the children nor is her income counted.

11003.9.4 Parents Under 18 and Family Size

Consider minor parents (under 18) for child care services separately from their legal guardian or parents. This means that minor parents can apply for child care services on their own even if they live with their legal guardian or parents. In this case, need for care and financial eligibility is based on the minor parents' circumstances and not that of their parents or legal guardian.

EXAMPLE: A 17 year old, who lives with mom, has a child of her own and she needs child care to continue high school. Completing high school is her need. If she seeks child care as a Category 31 case, financial eligibility is based on her income. She and her child are a family of two.

Even though minor parents who are living with a legal guardian or their parents can apply on their own, still seek the signature of the legal guardian or parents on the minor parent's application for child care. However, if the legal guardian or parents refuse to sign the application, deny service.

The legal guardian or parents of the minor parent could apply for child care as caretakers if they demonstrate that they provide for the primary support and care of the minor parent's child.

11003.9.4.1 Minor Parents and TANF

In the case of a minor parent who is a mandatory TANF participant, the minor parent will have to comply with TANF requirements for DSS to maintain child care services. Requirements for TANF are satisfactory participation in the assigned activity and making good progress toward the completion of the activity.

Satisfactory participation is defined in each participant's Employability Plan. Making good progress is defined as meeting certain qualitative and quantitative measures of performance, such as reviewing test results to determine if students are able to do passing work.

The Food Stamp Employment & Training - TANF requirements are to be part of the minor parent's Employability Development Plan.
If minor parents receive a sanction because they fail to comply with their Food Stamp Employment & Training - TANF requirements, they cannot get child care as long as their TANF case is open and they need to cure their sanction.

NOTE: A TANF minor parent is either emancipated, or their parent must sign the TANF application. In this case, do not require the minor parent's parents to sign the child care application.

11003.9.5 Making Income Determinations
45 CFR 98.11(b)(2)

Staff will use gross monthly income in all cases except for self-employment income. Gross income is income before any deductions. See 11003.9.1 for disregarded income.

Determine the monthly amount of income using the conversion method below. This applies to earned and unearned income.

A. Weekly gross income is multiplied by 4.33 to calculate the monthly income.
B. Bi-weekly gross income is multiplied by 2.16 to calculate the monthly income. Bi-weekly income is income that is received every other week.
C. Semi-monthly gross income is multiplied by 2 to calculate the monthly income. Semi-monthly income is income that is received twice each month.

If the income is different from pay to pay, use the income from the previous month or the average of the last three months income, whichever is less. This applies for earned and unearned income.

9 DE Reg. 572 (10/01/05)
14 DE Reg. 178 (09/01/10)

11003.10 Changes in Need or Income

Parents/caretakers are required to report changes that affect either their need for child care or their income. Parents/caretakers are to report these changes to their Case Manager within 10 days. The types of changes that parents/caretakers are to report are:

A. loss of job;
B. new employment;
C. any increase or decrease in wages or income resulting in a change to income of $75 or more per month;
D. any change in education/training or other status which would impact the parents/caretakers need for care.

9 DE Reg. 572 (10/01/05)

11004 Application Processing

Any parent/caretaker who expresses a desire for child care services may apply by contacting a DSS office. The process to actually obtain child care services starts when parents/caretakers contact a Case Manager. Consider this an informal inquiry unless or until it results in the completion of a written application.

An informal inquiry typically involves a parent/caretaker's phone call or unannounced child care office visit to seek information about eligibility for child care services. Process all informal inquiries by doing a simple review of the parent/caretaker's need in the creation of a child care case in the DCIS II Child Care Sub system. Following this simple screening, parents/caretakers are told they either appear eligible or ineligible for service. For those applicants who appear to be eligible, proceed with the formal application process, schedule an appointment or send them the application and outline the necessary information to be returned with the signed application. Case Managers will inform those parents/caretakers who do not appear eligible of their right to file a formal application if they still so choose.

During the informal process, no obligation exists to provide parents/caretakers with a written decision of the eligibility finding nor are parents/caretakers able to appeal an informal decision. In either case, however, Case Managers will always conduct or schedule a formal interview for parents/caretakers who appear eligible or those who assert their right to make a formal request.
The formal application process is detailed below, including the requirements for authorizing child care services, the minimum requirements for verifying eligibility information, the standards for determining child care fees, and conditions for when and why a child care case should either continue or close.

**9 DE Reg. 572 (10/01/05)**

### 11004.1 Application Process

The application process will always consist of the following:

A. a Case Manager, parent/caretaker interview; (in person or over the phone)
B. a review and verification of eligibility requirements;
C. a review of the parent information about child care certificates;
D. a determination of eligibility along with written parent/caretaker notification of the eligibility decision;
E. completion of the Application for Child Care Assistance;
F. as necessary, a determination of the child care fee;
G. creation of a case in the DCIS II Child Care Sub system;
H. as appropriate, completion of the Service Authorization Form;
I. completion of the Child Care Payment Agreement; and
J. a review of the parent/caretaker's rights and responsibilities, such as keeping their Case Manager informed of changes.

**9 DE Reg. 572 (10/01/05)**

### 11004.2 Interviews and Necessary Documentation

**45 CFR 98.11**

Complete an interview either over the phone or in person. Conduct the interview the same day if possible. Parents will need to supply the following verifications:

1. if employed:
   a. pay stubs for the 30 days before the date of application, or
   b. a letter or employer statement (on company letterhead) noting the employer’s name, telephone number, the parent’s/caretaker’s work schedule, earnings, frequency of pay, and start date,
2. any unearned income, such as child support, Social Security, and unemployment compensation
3. if in training and/or school:
   a. a statement from the school/training program with starting and completion dates and days and hours required to attend, or
   b. a copy of a registration form and class schedule;
4. any other information which will help in determining the need for service, such as documentation of a special need. Documentation of the special need may be provided on the Special Needs Form or any other written correspondence submitted by a physician or medical professional with the authority to do so. For a protective need, a referral from Division of Family Services must be submitted.

Parents must be given any information that will help them to make an informed decision regarding their child care services. Provide parents/caretakers with a list of providers and a child care certificate packet as needed. Although verifications are needed, Presumptive Child Care may be opened pending information. Presumptive Care can be authorized for approximately one month, depending on the date of application. (For more information on Presumptive Child Care see DSSM 11004.8).

**9 DE Reg. 572 (10/01/05)**

**14 DE Reg. 182 (09/01/10)**

### 11004.2.1 Conducting the Interview

The interview will include:
A. An evaluation of parents/caretakers need for child care services (see Section 11003);

B. A determination of financial eligibility as needed;

C. An assessment of the family's child care needs as well as the needs of the children to be placed in care;

D. An explanation of the available types of child care; the choices parents/caretakers have regarding these provider types; the various provider requirements regarding licensure, possible co-pays, health, and safety, including record of immunization; and required child abuse and criminal history checks;

E. An explanation of DSS payment rates and parent fee scale, including a discussion of how fees are assessed, where fees are to be paid, what happens if the fee is not paid, and how parents/caretakers are to keep DSS informed of changes that affect fees;

F. An explanation of parents/caretakers rights and responsibilities;

G. Completion of the Application for Child Care Assistance, and as applicable completion of the Child Care Authorization and the Child Care Payment Agreement form; and

H. Verification of appropriate information establishing need and income.

The entire process, from the time when parents/caretakers make an informal request for child care to the time when a decision is finally made, should take no longer than one month.

Parents/caretakers who fail to keep their initial appointment for an interview are given the opportunity to reschedule.

9 DE Reg. 572 (10/01/05)
10 DE Reg. 564 (09/01/06)
18 DE Reg. 697 (03/01/15)

11004.3 Review and Verification of Eligibility Requirements

As part of the formal application process, use the parents/caretakers interview to review and verify eligibility requirements. This interview will always include an evaluation of the parents/caretakers need for child care and, as appropriate, a determination of financial eligibility. Section 11003, Eligibility Requirements, provides guidance for this review.

When a parent/caretaker makes a contact to inquire about child care, ask the following questions of the parent/caretaker to determine and verify need (these questions follow the eligibility requirements noted in Section 11003 and match DCIS II Child Care Sub system need codes.

A. Is the parent/caretaker employed or in need of child care to accept employment? (Category 12 for TANF employed or Category 31 if not on TANF) The caretaker must be part of the TANF grant to be a Category 12.

B. Is the parent a TANF Employment and Training participant and needs care to participate in a TANF Employment and Training activity? (Category 11)

C. Is the parent/caretaker a Food Stamp Employment & Training (FS E&T) participant? (This is Category 21.)

D. Is the parent/caretaker a self-initiated participant (TANF, a mandatory or voluntary Food Stamp Employment & Training (FS E&T)? (This is Category 21.)

E. Is the parent/caretaker in and regularly attending a training program or going to school? (Category 31)

F. Is a special needs child or parent/caretaker in the household? (Category 31)

G. Is there a protective referral from Family Services? (Category 31)

H. If the parent/caretaker meets a Category 13 or 31 need, is the family income equal to or below 200 percent of the federal poverty level?

Use the appropriate documents identified in Section 11004.2 to verify the need for service. However, verification will not delay authorization of service in the event documentation is not immediately available. Authorize service while allowing parents/caretakers ten days to provide the appropriate verification. If the client is applying for
services the system will automatically determine eligibility for Presumptive Child Care. The system will generate the appropriate notices, request the information and end date the authorization. If the client does not meet presumptive requirements and fails to provide requested information the system will close the case and give appropriate notice. (For more detail on Presumptive Child Care see section 11004.8)

9 DE Reg. 572 (10/01/05)

11004.3.1 Prioritizing Service Needs

This policy applies to all Child Care Assistance applicants who may experience a delay in service due to a wait list. DSS Requires When There Is A Wait List That Certain Groups Be Given Priority.

Applicants Will Be Referred To A Waitlist If Their Need For Child Care Does Not Meet One (1) Of The Requirements.

Parents/Caretakers in the circumstance below will continue to receive Child Care Assistance as long as they meet all eligibility requirements.

A. The following groups are given priority:
   1. TANF applicants and recipients who are Employment and Training (E&T) Mandatory and not working (Category 11);
   2. TANF recipients who are working (Category 12);
   3. Individuals receiving Food Supplement Program (FSP) who are mandatory E&T participants (Category 21);
   4. Teen parents who are enrolled in or attending middle school or high school; or a program to acquire a General Education Diploma (GED) or similar secondary credential approved by the Delaware Department of Education;
   5. Parent/Caretakers or child with special needs as defined in DSSM 11003.7.8;
   6. Homeless families as defined in DSSM 11003.7.2;
   7. Families who meet the 40% of FPL criteria as defined in DSSM 11004.7;
   8. Division of Family Services (DFS) may refer children to DSS for protective Child Care up to the number agreed upon by both Divisions.

18 DE Reg. 233 (09/01/14)

11004.4 Child Care Certificates

As part of the application process, inform all parents/caretakers of their right to choose a child care provider. Parents/caretakers may elect to use a provider under contract with DSS or elect to receive a child care certificate. The child care certificate allows parents/caretakers to select any licensed non-contract provider or license-exempt provider. The child care certificate is part of a package of information provided to parents/caretakers as part of the formal application process. It is necessary to not only provide parents/caretakers with a copy of this package, but explain the purpose of this package and ensure that parents/caretakers reasonably understand its contents.

9 DE Reg. 572 (10/01/05)

11004.4.1 Explanation of Certificates

Use the following as a guide to explain the child care certificate package.

A. Parents/caretakers can use this package to select a child care provider of their choice. However, they must select care that is legal. Legal care is care that is licensed or that is exempt from licensing requirements.

B. Licensed Care: All family child care homes, large family child care homes and child care centers must have a license to operate in Delaware. Do not allow a parent to select an unlicensed family or large family child care home, or center child care provider.

C. License-exempt Care: The following provider types are exempt from licensing requirements in Delaware:
   1. persons who come into the child's own home to care for the parent/caretaker's child,
   2. relatives who provide care in their home for the parent/caretaker's child;
Though the above provider types are exempt from licensing requirements, they are still required to meet certain health and safety standards. These standards are:

1. maintaining documentation of the child's immunization record,
2. safe and clean building premises,
3. providers and those 18 and older who live in the home where care is being provided are required to submit to a fingerprinted background check and must not have any prohibited criminal convictions or prohibited child abuse and neglect substantiations as designated under 31 Delaware Code, Section 309, 16 Delaware Code, Section 923 and the Child Care Development Block Grant Act of 2014; and
4. relatives who provide care cannot be part of the welfare grant.

D. Once parents/caretakers know the appropriate provider to select, they also need to know how DSS will pay for the care provided. DSS has established rates above which it will not pay (see Appendix II for current reimbursement rates).

Parents/caretakers will need to know these rates and whether or not the provider is willing to accept them. If the provider is willing, the certificate will act just like a DSS contract and DSS will pay the provider directly less any child care fee. If the provider is not willing, the parent/caretaker will self-arrange care with the individual provider.

If the provider contracted purchase of care slots are full, the provider may offer the parent/caretaker the option of receiving service as a purchase of care plus client. The provider then receives the regular DSS subsidy from the Division, the DSS determined parent fee and any additional fee determined by the provider from the parent/caretaker.

If the provider is not willing to accept purchase of care plus, the parent/caretaker will self-arrange care with the individual provider. The parent/caretaker will pay the provider and submit an original receipt to DSS for reimbursement. The parent/caretaker, however, will only receive reimbursement up to the DSS statewide limit.

E. The provider will need to complete and return the original copy of the actual child care certificate before case managers can authorize care. Relative care providers will also complete and return the yellow copy of the License Exempt Provider Criminal History and Child Abuse and Neglect Background Check Request for all persons 18 and older living in the home. If this form is not returned, discontinue care.

F. Service will not be delayed because of an incomplete child abuse clearance check, but remind parents/caretakers that DSS will not pay for care if, after authorization, the check should reveal a history of abuse or neglect.

G. Allow parents/caretakers one month to use a certificate. If the certificate is not used within that time, it no longer remains valid and the parents/caretakers will need to obtain a new certificate if they still wish to receive service.

H. The original copy of the child care certificate is completed and returned by the provider. The certificate package provides instructions for completion. The provider should keep a copy.

I. The client has 60 days from confirmation of eligibility to provide the DSS Case Manager with the name of his/her provider. If the client fails to provide this information his/her case will close.

**11004.4.2 Purchase of Care Plus (POC+)**

POC+ is a care option that allows providers to charge DSS clients the difference between the DSS reimbursement rate up to the provider’s private fee for service. The provider receives the DSS rate, the DSS determined child care parent fee if applicable, and any additional provider determined co-pay.

This option is primarily for DSS fee-paying clients. DSS chooses not to limit childcare options for any group of individuals. DSS will allow all DSS purchase of care clients eligible for POC with no parent fee the opportunity to waive their right to receive childcare with no additional provider co-pays and choose a POC+ slot.

POC+ is an option for all DSS clients, not a requirement. If a provider does not have a regular POC slot available, the client can choose to self arrange, enter into a POC+ arrangement or find another provider that will take the regular DSS payment.
It is the provider’s responsibility to include in their contract with the DSS client the explanation of POC+, the length of POC+ if it is specified, the co-payment amount, the providers policy on non-payment of fees, and a statement that they have explained to the client their options and that the client chooses to participate in POC+.

In order for providers to be able to participate in the POC+ option they must agree to take a percentage of DSS waived fee clients and attend training on POC+.

If a client is currently participating in POC+ and goes to a zero parent fee for DSS, the client can stay POC+ or request a regular POC slot. If a regular POC slot is not available the client can chose to remain in a POC+ slot, self arrange, or find a provider with a regular POC slot.

A provider cannot change a zero parent fee client from a regular POC slot to a POC+ slot.

NOTE: It is important to explain to DSS clients who receive POC and Food Stamps that if they choose to participate in POC+ they need to inform the DSS worker of the co-payment amount so that the Food Stamp case can be updated.

10 DE Reg. 564 (09/01/06)

11004.5 Determination of Eligibility

DSS programmed the DCIS II Child Care Sub system to make eligibility decisions. As Case Managers enter the appropriate parent/caretaker information, the DCIS II Child Care Sub system will notify Case Managers whether they can proceed to authorize service. As a case is determined either eligible or ineligible, the DCIS II Child Care Sub system will send the appropriate notice to inform the parent/caretaker of the DSS child care eligibility decision. Parents/caretakers, whether eligible or not, will always receive a written decision regarding their official request for child care services.

9 DE Reg. 572 (10/01/05)

11004.6 Child Care Eligibility Screening Application

Complete an Application for Child Care Assistance for all parents/caretakers before authorizing child care services. The information from this form becomes the basis upon which child care services are authorized. Therefore, the information should be as complete and accurate as possible. It is important for the parent/caretaker requesting service to sign this application. Their signature represents their official request for service. If a face-to-face interview is not conducted to obtain the information to complete the application, obtain the parent/caretaker signature on the application at the earliest opportunity after service is authorized. Do not allow parents/caretakers to receive services beyond one month without having a signed application on file.

When it is necessary to authorize new child care services to parents/caretakers because of a category change (such as parents/ caretakers going from a Category 11 to 31), it is not necessary to have parents/caretakers complete a new application. This enables DSS to maintain the concept of seamless service.

9 DE Reg. 572 (10/01/05)

11004.7 Determination Of The Child Care Parent Fee and Fee Waiving Situations

Under regulations, eligible families are required to contribute to the cost of child care services based upon their ability to pay. Families contribute to the cost of care by paying a DSS child care parent fee. DSS, however, provides child care services to certain families at no cost. Part of the process after determining the client’s financial eligibility and need for child care would be determining the parent fee and which families should have their parent fee waived.

Child care fees may be waived if the family meets one of the five (5) conditions below.

1. On a case by case basis, families active with and referred by the Division of Family Services (DFS) including foster care families. This requires supervisory approval.
2. Families in Delaware’s TANF Program in Categories 11 and 12, and General Assistance (GA) families.
3. Caretakers in Category 31 caring for a child/ children who receive TANF or GA assistance where the adult requesting the child care is not the child’s natural or adoptive parent (for example, grandparents, aunts, uncles, etc.).
4. When paying the fee creates an excessive financial burden. Excessive financial burden is defined as a situation where the family's disposable income prior to the deductions or after the deductions, result in the family having income below 40% of the federal poverty level. Deductions are limited to:

   - rent, mortgage, lot rent;
any mandatory expenses required by the landlord or mortgage holder (e.g., homeowners insurance, property taxes, school taxes);
actual current monthly utility expenses (e.g., electric, gas, trash, water and sewer). Late fee’s and past due amounts are not included.
telephone expenses are capped at the same rate as the FS standard deduction for telephone bills;
un-reimbursed medical costs (Before considering these medical costs as deductions, families not already receiving Medicaid or on the Delaware Healthy Children Program (DHCP) must first apply for either Medicaid or the DHCP. The DHCP premiums are included in the un-reimbursed medical cost deductions. Any un-reimbursed medical costs not covered by Medicaid or the DHCP will be considered as a deduction to determine the family’s income for excessive financial burden.)

EXAMPLE:
A family of three has gross monthly income of $1,300.00. The parent fee for this family would be 16% of the cost of care. The rent payment for this family is $600/month. Utility expenses are $20 for phone and $165 for electric.

<table>
<thead>
<tr>
<th>Total income per month equals:</th>
<th>$1,300.00</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total expenses are:</td>
<td>$785.00</td>
</tr>
<tr>
<td>After deductions:</td>
<td>$515.00</td>
</tr>
</tbody>
</table>

$515.00 is less than $553.00, 40% of the federal poverty level for a family of 3, so this family can have the parent fee waived.

EXAMPLE:
A family of four has a gross monthly income of $2,203.00. The parent fee for this family would be 44% of the cost of care. The rent payment for this family is $600/month. Utility expenses are $20 for phone and $165 for electric.

<table>
<thead>
<tr>
<th>Total income per month equals:</th>
<th>$2,203.00</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total expenses are:</td>
<td>$785.00</td>
</tr>
<tr>
<td>After deductions:</td>
<td>$1,418.00</td>
</tr>
</tbody>
</table>

$1,418.00 is more than $666.00, 40% of the federal poverty level for a family of 4, so this family will not have the parent fee waived.

5. Teen parents 18 years old or younger attending high school or a high school equivalent.
All requests to waive the fee must be documented in the case file and be approved by the unit supervisor.
As is the case with income, a person who acts as a child’s caretaker, as defined in Section 11002.9, pays a child care fee based only upon income attributable to the child, unless the family meets one of the waived fee conditions above.

8 DE Reg. 1310 (03/01/05)
10 DE Reg. 1007 (12/01/06)

11004.7.1 Child Care Parent Fee Scale and Determination of Fee
The assessed child care parent fee is based on family size, family income as a percentage of the poverty scale and the cost of care. The current child care fee scale used to determine the child care parent fee is located in Administrative Notices as the Child Care Sliding Fee Scale Appendix III of the Cost of Living Adjustment Notice.
To arrive at the actual fee, look at the current Child Care Sliding Fee Scale (noted above) and use the following steps.
A. Determine the family size as outlined in section 11003.9.3.
B. From the family size column, determine the income range of the parent/caretaker.
C. At the top of the income ranges are percentages from 0% to 36% all the way up to 190% to 200%. These are the percentages of the federal poverty scale as it relates to family income by family size. It means that a family’s income can range between 0% to36% all the way up to 190% to 200% of the federal poverty scale. Find the appropriate percentage column for your family.
D. Finally, based on family size and income at that appropriate percentage range, look at the percentages below (these are ranges from 1% to 80%). This is the percentage of the cost of care that this family will pay per child based on the percentage of their income as it relates to the federal poverty level.

Families with income between:

<table>
<thead>
<tr>
<th>Poverty ranges based on income</th>
<th>Percentage of the cost of care paid</th>
</tr>
</thead>
<tbody>
<tr>
<td>0% and 36%</td>
<td>1%</td>
</tr>
<tr>
<td>36% and 45%</td>
<td>5%</td>
</tr>
<tr>
<td>45% and 55%</td>
<td>7%</td>
</tr>
<tr>
<td>55% and 65%</td>
<td>8%</td>
</tr>
<tr>
<td>65% and 75%</td>
<td>10%</td>
</tr>
<tr>
<td>75% and 85%</td>
<td>12%</td>
</tr>
<tr>
<td>85% and 95%</td>
<td>14%</td>
</tr>
<tr>
<td>95% and 100%</td>
<td>16%</td>
</tr>
<tr>
<td>100% and 105%</td>
<td>21%</td>
</tr>
<tr>
<td>105% and 115%</td>
<td>23%</td>
</tr>
<tr>
<td>115% and 120%</td>
<td>25%</td>
</tr>
<tr>
<td>120% and 125%</td>
<td>30%</td>
</tr>
<tr>
<td>125% and 135%</td>
<td>32%</td>
</tr>
<tr>
<td>135% and 145%</td>
<td>44%</td>
</tr>
<tr>
<td>145% and 155%</td>
<td>46%</td>
</tr>
<tr>
<td>155% and 160%</td>
<td>48%</td>
</tr>
<tr>
<td>160% and 170%</td>
<td>50%</td>
</tr>
<tr>
<td>170% and 180%</td>
<td>60%</td>
</tr>
<tr>
<td>180% and 190%</td>
<td>70%</td>
</tr>
<tr>
<td>190% and 200%</td>
<td>80%</td>
</tr>
</tbody>
</table>

E. Finally, based upon the type of care (i.e., home, center, etc.) a parent/caretaker selects, multiply the percentage of the cost of care by the cost for that type of care. This is the parent fee the parent/caretaker will pay.

This is a per child fee. If more than one child is in care, repeat the calculations for each child, then combine all the per child fees to arrive at the total fee.

EXAMPLE: Based upon income and family size, a parent is to pay seven percent of the cost of care for a three year old child in a contracted child care center. If the cost of care for a child over two in a center is $12.40 per day, multiply $12.40 by .07, giving the parent a fee of .87 cents per day for that child.

NOTE: Use the same rules for determining family size for the child care fee scale as done for determining family size for income. Include all of the family's children under age 18 in the family size even if not all will need child care services. In other words, the people whose needs and income are included together are counted together to comprise the definition of family size. Review Section 11003.9.3 for further guidance.

DSS programmed the DCIS II Child Care Sub system to do the actual child care parent fee calculation.

The child care parent fee which shows in the DCIS II Child Care Sub system is the actual amount of care that is authorized. The actual fee the parent/caretaker pays for that child is indicated on the authorization form.

10 DE Reg. 564 (09/01/06)

11004.7.2 Paying the Child Care Fee
Parent/caretakers will pay their child care fee directly to the child care provider. This fee, in combination with what DSS pays the provider, represents the reimbursement limit DSS allows for child care services. These limits are based on the child care type and the age of the child. DSS has contracts with providers for these rates which include purchase of care plus option. If, however, providers do not accept these rates or the purchase of care plus option, parent/caretakers will self-arrange care directly with the provider. In this instance, the parent/caretaker will not only pay their fee, but also the provider's full charge for care. The parent/caretaker will submit an original receipt for reimbursement, at which time DSS will reimburse the parent/caretaker in an amount up to the statewide limits (see 11004.4.1 above), less the child care fee.

Parent/caretakers who fail to pay their child care fee or who fail to make arrangements to pay past fees owed will have their child care services terminated. Providers are responsible for informing DSS of the parent/caretaker's failure to pay the fee. Obtain such information in writing from providers whenever possible. However, it is acceptable to obtain this information verbally if the following procedures are used.

A. Accept and document (e.g. note the date and time of the call/conversation and the information given in the case record) the information from the provider.
B. Request that the provider follow up this information in writing to the child care monitor in their county.
C. Send the Failure to Pay Child Care Fee Closing (CCMIS Notice 4060) to the parent/caretakers informing them that service will terminate due to non-payment of the fee unless arrangements are made with providers to pay past fees owed.

NOTE: Allow timely (10 days) and adequate notice.
D. Require parent/caretakers to submit information in writing which details the arrangements they made with providers to pay past fees owed.

Parent/caretakers whose child care case closes because of failure to pay child care fees cannot receive a new authorization for service until they satisfy or make arrangements to pay past fees owed.

8 DE Reg. 1153 (02/01/05)

11004.8 Presumptive Child Care Services

Presumptive Child Care is a limited one to two month eligibility period and authorization for child care. This will be automatically generated when a mandatory verification field is in the “pending verification” status and the parent/caretaker did not receive Child Care in the previous month.

When the case is entered into the DCIS II Child Care Subsystem and the status is pending due to verification needed, the system automatically calculates the 10 day period allowed for the return of necessary information. If the case is entered and the 10 day calculation falls prior to adverse action, the system will generate an authorization for the current month only. If the case is entered and the 10 day calculation falls after adverse action the system will generate an authorization for the current month and the next month only. Eligibility will be denied after the presumptive period if the client does not return the necessary information. It will be necessary to change the appropriate fields and check verified if the client returns the necessary information. The system will generate the appropriate notices.

If a client was opened in Presumptive Child Care or denied Presumptive Child Care in the previous determination, Presumptive Child Care will not be issued.

9 DE Reg. 572 (10/01/05)

11004.9 Authorizing Child Care Services

45 CFR 98.11
All child care services must be authorized before parents/caretakers can receive subsidized child care. Parents/caretakers can choose any provider who is:

A. licensed, licensed exempt, or self arranged, and
B. approved to receive purchase of care.

No parent/caretaker can receive POC funds to provide child care services to their own children in a home or any other child care facility where the parent/caretaker provides direct care to that child. These parents may be able to get child care assistance if their children are placed in another child care setting.
Authorizations always start after service has been approved. The exact date is selected by the parent/caretaker. An authorization ends on the last day of the month of the authorization period. At no time can the authorization period exceed the review date. Child care may be authorized only for the days and hours that parents/caretakers need care. The types of care that can be authorized are part time (P), full day (X), and day and a half (T). All licensed and licensed exempt child care providers can receive up to five (5) absent days, depending on the number of days the child is authorized to attend. Children in self arranged care and children authorized for seven (7) days do not receive absent days.

9 DE Reg. 572 (10/01/05)
14 DE Reg. 182 (09/01/10)
20 DE Reg. 810 (04/01/17)

11004.9.1 Changing Authorizations

Complete a change to an existing authorization whenever a situation occurs within the authorization period which requires a change to the parent/caretaker’s situation. The DCIS II Child Care Sub system defines this as a Change Authorization. Examples of when Change Authorizations occur are:

A. a change in the authorized level of service, for example number of days, type of service, absent days, etc.;
B. a change of provider;
C. a change in category;
D. a change in parent/caretaker need;
E. a change in family size;
F. a change in income; or
G. a change in the child care fee.

To make any changes necessary to the current Authorization, navigate to the Child Care Authorization Details II screen, make the change and re-run SFU/EDBC.

Change Authorizations always affect future events, meaning the change will affect future transactions (i.e., future payments for child care).

When changes to an authorization cause a decrease in parent/caretaker service (e.g., less care, increase in fee), DSS considers this a negative change. According to the DCIS II Child Care Sub system, negative changes will occur the first day of the next month. Provide the parent/caretaker with adequate and timely notice whenever such a negative change occurs. DSS programmed the DCIS II Child Care Sub system to allow for timely notice. Therefore, any negative change will not cause a change to the authorization unless sufficient time remains in the current month for Case Managers to send the parent/caretaker notice of this change. If there is not sufficient time, the change will not occur until the first day of the month following the next month.

EXAMPLE: On January 20, Case Manager X is notified by parent Y of an increase in parent Y's income. Case Manager X posts the adjusted income to the DCIS II income screen.

The adjusted income will increase the child care fee on the authorization, which is a negative change (i.e., parent Y will have to pay a higher fee). Since this change occurs after January 20 (change does not occur until the next work day), the DCIS II Child Care Sub system will not make parent Y's new fee effective until March 1. The DCIS II Child Care Sub system sends parent Y a letter notifying parent Y of the higher fee.

DSS considers changes which increase the level of parent/caretaker service (e.g., increase in the number of days, reduction in fee) a positive change. The DCIS II Child Care Sub system is programmed to allow positive client changes to occur the first day of the current month.

A neutral change, like a change in category, will generally take place the first day of the next month. However, some category changes, going from a Category 11 or 12 (no fee) to a Category 31 will cause a negative change. The parent/caretaker will now have to pay a fee.

EXAMPLE: Parent Y who was a TANF participant and a Category 11 obtains a job. The job causes parent Y's TANF case to close. Parent Y can no longer get Category 11 child care, but qualifies for Category 31. Enter new income in the DCIS II income screens. Parent Y's TANF case is due to close on January 31, but the change is not completed until after January 21. The DCIS II Child Care Sub system will automatically change the category code from 11 to 31, and give notice once the client is no longer eligible for TANF but continues to be eligible under category 31.
The expiration dates for Change Authorizations will remain the same as on the original authorization.

Correct Transactions

If a change needs to be made to an old transaction (authorizations for which DSS already made payment), go to the Correct Transaction screen. The Correct Transaction function is located in DCIS II Child Care Sub system. Correct transactions can only be completed for positive changes, meaning the change caused an increase in service or a change in the child care fee, thereby increasing the provider payment. The only areas that can be changed on a transaction are:

A. family size increase
B. income decrease
C. waive fee code added
D. absent days change from no to yes
E. extended care changes from no to yes
F. days per week
G. type of day

Case Managers can only make corrections in the above areas to transactions created within the last 3 months. Supervisors may make changes in the above areas to any past transaction. Changes to transactions that are not editable (not listed above) will have to be referred to the Child Care Monitors.

If the change was negative, meaning a decrease in services, process an overpayment.

9 DE Reg. 572 (10/01/05)

11004.9.2 Interrupted Child Care

Families receiving child care during the school year sometimes need to change their service requirements during the summer months. For instance, some parents make alternate arrangements during the summer for a school-age child who receives care throughout the school year. These arrangements may not require the need for child care services. However, the parent may still need child care when the school year starts again in September. In addition, some parents only work during the school year and may not need child care during the summer months, such as parents who drive a school bus.

DSS will continue service to those families who do not need service for the summer but who will need service again in September. This break is considered an interruption of service and not as an end to the family’s service need. Therefore, even though these families need to re-apply for service before September, they will not be re-applying as totally new cases and will not have to go on the waiting list.

Certain families who have an authorization end date for June may not keep their redetermination appointments (due to making alternate arrangements for child care during the summer or not needing care at all). These families are notified to contact their Case Manager if they need care again in September. If they fail without good cause to keep their re-application appointments or to contact their Case Manager, their service will not continue as before. They will go on the waiting list.

9 DE Reg. 572 (10/01/05)

11004.9.3 Changing Provider

DSS designed the CCMIS so that there would not be two “active” authorizations for one child at the same time. However, there is one exception: when a parent/caretaker wishes to change providers. In this instance, enter the change of provider and the CCMIS will (1) change the old authorization to close it effective the end of the current month, and (2) create a new authorization effective the date of the change in provider. Both authorizations will remain in effect until the first expires. This will allow DSS to pay both providers.

However, because DSS requires that providers be given at least five days notice of this change, there may be instances when the original authorization will remain in effect until the last day of the next month. Since the Change Authorization will be mailed to the provider, do not send a separate notice. Ensure that parent/caretakers pay any fees they may owe the old child care provider.
11004.9.4 Creating Unmet Needs

Under certain conditions, DSS may not be able to provide service to eligible parent/caretakers. Either because of a lack of funding or because DSS cannot match child's child care need with an available provider, do not authorize service. When an authorization for one of the above reasons cannot be completed, place the child or children on an Unmet Need Waiting List. Follow the Unmet Needs Section of the User Manual both for placement and removal of a child(ren) on the Unmet Need Waiting List.

When services to parent/caretakers who are a non-service priority must be delayed, do the following:

A. continue to accept requests and applications for child care services,
B. complete the child care case information to create a CCMIS case,
C. place the child(ren) on the Unmet Need Waiting List,
D. inform parent/caretakers that DSS is placing them on a waiting list and that they will be notified when an opening becomes available, and
E. either authorize care when services are available or close the case if parent/caretakers no longer desire service.

11004.10 Child Care Payment Agreement

Parent/caretakers will no longer receive a copy of the authorization. Instead, as authorizations are created, the CCMIS will automatically batch and process the authorizations each night at the DCIS data center. The DCIS data center will mail the authorization to providers the next work day. Instead of the authorization, provide parent/caretakers with a copy of the Child Care Payment Agreement Form (Form 626). Parent/caretakers will present this copy of the Child Care Payment Agreement form to providers as their initial verification of service authorization. (Providers have been instructed to accept this as a sign of authorization until the official authorization arrives in the mail.)

The purpose of the Child Care Payment Agreement Form is to ensure that parent/caretakers acknowledge their responsibilities as recipients of DSS child care services. Complete the blank spaces of this form with information appropriate to each parent/caretaker. Complete the form, give two copies to the parent/caretaker (one for their records and one for presentation to the provider), and keep one copy with the Case Manager's file.

11004.11 Review/Determination

45 CFR 98.1

All childcare applicants and recipients are continuously eligible for child care services for twelve months. This means that the applicants and recipients remain eligible for child care services unless:

A. The child moves out of or is removed from the parent's/caretaker's home, or
B. The child moves out of state, or
C. The child is deceased.

In the event of any of the above, close the child care case.

Additionally, the child care parent fee will not change during the authorization unless the parent/caretaker in a single parent home loses his or her job or one or both parents in a two parent home loses his or her job. (See DSSM 11004.12.1 Continuing Child Care after Loss of Need.)

Complete a review/redetermination of the circumstances of each parent/caretaker at least once every twelve months and just prior to the end of each authorization period.

Close the child care case if parents/caretakers fail to complete a review or return the six month interim report (See DSSM 9068.1 12-Month Certification Periods). Only child care/food benefit cases will require an interim report. If the parents/caretakers provide good cause for their failure to complete or return the report, the case should be processed.
Good cause can be anything believed to be reasonable, but generally includes things such as:

1. Illness;
2. Court required appearance;
3. Household emergency (fire, heating problem, family crisis, etc.);
4. Lack of transportation; or
5. Inclement weather.

Parents/caretakers whose child care cases close because they failed to complete a redetermination or provide verification, can reapply for service. However, if DSS is in a "wait list" situation, these parents/caretakers will be subject to DSS' priority service order (see Section 11004.3.1 Prioritizing Service Needs).

Do not allow an authorization to end or close a case without first ensuring the parents/caretakers were given timely and adequate notice.

9 DE Reg. 572 (10/01/05)
13 DE Reg. 1552 (06/01/10)
18 DE Reg. 697 (03/01/15)

11004.12 Closing Cases

A parent/caretaker's authorization for service should end when any of the following occurs:

A. the parent/caretaker need no longer exists,
B. the parent/caretaker's income exceeds income limits,
C. the parent/caretaker fails to pay the child care fees or fails to make arrangements to pay past fees owed,
D. the parent/caretaker refuses to provide requested information or verification of eligibility,
E. the parent/caretaker is a Food Stamp Employment & Training (FS E&T) participant who is sanctioned,
F. a protective case fails to follow the Division of Family Services case plan,
G. at the request of the parent/caretaker,
H. if program funds should be reduced, and,
I. if a parent/caretaker is a TANF child care participant who is sanctioned.

When closing cases, send the appropriate closing notice which provides a ten day notice. DSS programmed the DCIS II Child Care Sub system to allow for ten day notice before an authorization closes, and informs the participant of his/her right to a Fair Hearing.

When a case and the authorization is closed the system will end date the case and authorize the last day of the current month or the next month if 10 day notice can not be given.

9 DE Reg. 572 (10/01/05)

11004.12.1 Continuing Child Care after Loss of Need

45 CFR 98.20

Under certain circumstances, DSS will continue child care for up to three months after parents/caretakers lose their need for service. DSS will continue to authorize service for up to three months for parents/caretakers who:

A. lose employment and who need to search for new employment,
B. experience a gap in employment because of a transition between jobs,
C. end an education/training program and need to search for employment, or
D. experience a break in an education/training program.
11005 Review of Parent/Caretakers' Rights and Responsibilities

Complete the application process by reviewing with parent/caretakers their rights and responsibilities. These rights and responsibilities reflect DSS' belief that parent/caretakers should be well informed about the child care decisions they make. Therefore, ensure that parent/caretakers receive the following information as part of the application process.

11005.1 Parent/Caretaker Rights

A. Parent/caretakers have the right to choose the type of provider and the type of care for their children (see Section 11004.4 for discussion of certificates and parental choice).

B. Parent/caretakers have the right to have unlimited access to their children and the child care provider during normal working hours and whenever the children are in the provider's care.

   1. Licensed providers must allow parental access as part of their licensing standards. Complaints against licensed providers who fail to provide parental access should be addressed to the Office of Child Care Licensing, Department of Children, Youth, and Their Families.

   2. Exempt providers must agree to allow parental access as part of the certificate process. Those providers who do not certify to allow access can be denied authorization to provide service.

C. Parent/caretakers have the right to request a list of substantiated parental complaints on any licensed or license-exempt provider. Maintain a record of complaints, particularly substantiated complaints, and provide this information to parent/caretakers upon request. The DSS Contracts Administrator's Office is the central repository for complaints about providers.

D. Parent/caretakers have the right to appeal any denial and/or termination of child care services.

11005.2 Parent/Caretaker Responsibilities

A. Parents/caretakers have the responsibility to give accurate information to Case Managers concerning their financial status and their need for service. Failure to provide requested and accurate information could lead to a denial and/or termination of service.

B. Parents/caretakers have the responsibility to report changes in their financial status and need for service as these changes occur. Failure to do so could lead to termination of service.

C. Parents/caretakers have the responsibility to pay their assessed child care fee. Parents/caretakers pay the fee directly to the provider at a schedule determined by the provider. Providers have the right to deny service to parents/caretakers who fail to pay their fees.

D. Parents/caretakers have the responsibility to abide by the provider's rules and procedures regarding the operation of their child care facility. Failure to do so could lead to termination from the provider's program. (Such a termination will not cause termination from DSS' subsidized child care services, but can make it difficult for DSS to locate another placement.)

E. Parents/caretakers have the responsibility to reimburse DSS for any payments made on their behalf for which they were not eligible. DSS has the right to recoup such overpayments. In cases where fraud is suspected, recovery must be attempted.

9 DE Reg. 572 (10/01/05)

11005.3 Child Care Case Records

Child care case records are maintained in accordance with DSSM policies as noted in Section 1000 under the heading Administration. However, ensure that child care case records contain, at a minimum, the following information:

A. a copy of the Application for Child Care Assistance;

B. verification of child care need, such as pay stubs and/or employer letter, school or training registration, special needs form;

C. verification of income, such as pay stubs or employer letter;

D. a copy of the Child Care Payment Agreement (Form 601b); and
any information pertinent to the child care case, such as protective referral, etc.

Authorization, client notices, and other pertinent case information is contained in the DCIS II Child Care Sub system. The DCIS II Child Care Sub system is considered an electronic case file and, therefore, equally or more valuable as the manual record. Maintain both the manual file as well as the electronic file in an up-to-date manner.

9 DE Reg. 572 (10/01/05)

11005.4 Child Care Overpayments

45 CFR 98.11

A child care overpayment occurs when DSS pays for more child care service than parents/caretakers are eligible to receive. Overpayments may be the result of an agency, provider or parent/caretaker action.

DHSS will attempt recovery in all cases of suspected fraud, in all cases involving current recipients, and in all cases where the overpayment amount would equal or exceed the costs of recovery. Each adult in the child care household is liable for repayment of the overpayment. In instances where a legal guardian or parent is required to sign the child care application, the legal guardian(s) or the parent(s) in the home is responsible for the overpayment even though the parent(s) or guardian(s) is not technically part of the child care household.

14 DE Reg. 187 (09/01/10)

11005.4.1 Determining the Overpayment Amount

To determine the amount of the overpayment subtract the amount that the parent should have paid the provider from the DSS calculated parent fee. The difference is the overpayment amount.

14 DE Reg. 187 (09/01/10)

11005.4.2 Overpayment Notices

Notify parents/caretakers in writing of any overpayment. The overpayment notice will contain:

1. a statement of the client’s right to a fair hearing as provided in DSSM 5300
2. the method by which s/he may request a fair hearing
3. what to do to continue receiving your benefits after requesting a fair hearing
4. a statement that s/he may represent himself or that s/he may be represented by counsel or by another person
5. the reason for the overpayment
6. the amount of the overpayment
7. the overpayment time period
8. the name of the child/ren associated with the overpayment.

DSS can only recoup child care overpayments from child care benefits. Any attempt to recover child care overpayments from TANF benefits can only occur if there is a voluntary request from the recipient family. Audit and Recovery Management Services (ARMS) is the agency responsible for establishing repayment agreements and the collection of overpayments.

14 DE Reg. 187 (09/01/10)

11005.4.3 RESERVED

14 DE Reg. 187 (09/01/10)

11006 Subsidized Child Care Provider Policy

The purpose of the subsidized child day care program is to provide care for children for a portion of the day in the absence of the parent/caretaker. It is a support service to enable the parent/caretaker to hold a job and/or obtain training or education leading to employment. The program is also used to meet the special developmental needs of the child that would otherwise go unmet or to remove the child from a family situation where he/she may be in danger.
11006.1 Service Providers
All licensed family day care homes, group day care homes, and day care centers are eligible for a contract to provide subsidized child day care service. The contract must be fully signed before the provider can begin to provide subsidized care.

The contracted fee for service is established by DHSS, published in the annual Social Services Block Grant Plan. The department reserves the right to withhold payment if the provider does not perform in accordance with the terms of the contract.

11006.2 Client Eligibility Policy
Eligibility is based on the financial and situational needs of the applicant for service and in accordance with DHSS established priorities for service.

11006.3 Acceptable Service Authorizations
This policy applies to all Licensed, Licensed Exempt, Relative/Non-Relative Providers.

1. Eligible Children Must Be DSS-Approved for Provider to Receive Payment
2. Child Care Providers Will Receive Authorization Notice
   Providers will receive authorization notice for each child at first enrollment and for each change or redetermination. The providers will receive a computer-generated copy of the parent/caretaker authorization letter for each child in their care. In the case of a computer problem or last-minute authorization, the provider may instead receive a handwritten authorization form (Subsidized Child Care Client Agreement- Form 626) from the DSS worker to validate the provider services. Providers will also receive a computer-generated authorization letter from DSS when data entry for the handwritten form has been completed.
   Authorizations for service will show:
   - The child’s name and ID number.
   - The service start and end date.
   - The number of service days per week.
   - The length of the service day (part day, full day, etc.)
   - Any co-pay the parent must pay.
3. Providers Verify Authorization Information
   The child care provider must verify information on the authorization form. DSS will only pay for those services stated on the form. If a provider feels the service information is not accurate, the parent/caretaker must contact DSS to have the information adjusted.
4. Provider must have the Authorization Letter or Form 626 at the start of Service
   DSS cannot guarantee payments for services provided without a valid authorization in place. All providers must have Purchase of Care (POC) or form 626 to support the start date of a child.
5. Only DSS Authorized Children Will Be Accepted for Continued Services
   Payment cannot be made after the expiration date unless a new DSS authorization has been issued. Providers cannot assume that parents/caretakers with expired authorizations will continue to be eligible for services.

14 DE Reg. 40 (07/01/10)

11006.4 Provider Reimbursement
Reimbursement is monthly as indicated on the Day Care Contract (Compensation, Method of Payment, and Collection of Fee sections). Complete records must be retained by the provider for a period of three years, listing each child's daily attendance, accurately stating the number of authorized days present by type, and the number of absent days. These records will be monitored on a regular basis.

Payment will be made only for the number of days and type of authorization indicated on the child’s authorization notice and in accordance with absent day policy. Reimbursement rates differ for each type of child care setting.

10 DE Reg. 564 (09/01/06)
11006.4.1 Absent Day Policy

DSS pays for up to five absent days per month. The number of paid absent days per month is the same as the number of days authorized for care in one week (up to a maximum of five days per month). The specific number of paid absent days is indicated on each child's Authorization Form.

Payment may be made for the major holidays listed in the contract for any child who attended at least one day during the month.

No payment is made to a provider for a holiday that occurs before the start date of the authorization at that provider's site.

13 DE Reg. 100 (07/01/09)

11006.4.2 Fee Paying Clients

The client fee is based on the DSS scale according to the client's income. The provider is responsible for collecting fees from their private and DSS fee-paying clients. The provider must develop a fee collection policy that states the fees collected prior to or after delivery of service and the frequency of collection, such as weekly, biweekly, or monthly. The provider's fee collection policy should be discussed with the parent/caretaker upon initial enrollment at the facility and should be reviewed periodically.

The provider must ensure that enrollment procedures include how the provider informs parent/caretakers of the availability of purchase of care slots for non-fee paying clients.

8 DE Reg. 1153 (02/01/05)

11006.4.3 Clients Who Fail to Pay Child Care Fee

A client may be denied service or terminated from service if notice is received from the provider that the client has failed to pay the assessed fee for service. Provider notice must be written and a copy forwarded to the Food Stamp Employment & Training Case Manager. Service may be authorized if:

A. the client submits written documentation that arrangements have been made with the provider to pay fees due the provider; or

B. the Unit Supervisor has determined, based on case review, that care should not be denied.

11006.4.4 State of Emergency

The provider will be paid at the current rate of payment for those normal hours of operation during which the provider is closed because of conditions which result in an officially-declared "state of emergency" by the Governor, if the emergency restricts or prohibits travel in the vicinity of the provider.

The provider may be paid for approved absent days for emergency closing caused by fire, flood, health, or safety hazard determined by the Office of Child Care Licensing. Consideration will be given to each individual case based on relocation, rehabilitation, or permanent closing of the provider.

11006.4.5 Multi-site Programs

If the site the child(ren) attends is closed and care is offered at an alternate site within the same organization, payment will be made only for those children who attended the alternate site. The provider should attach a memorandum listing the children and the alternate site they attended.

11006.4.6 Reimbursement

Repealed

10 DE Reg. 564 (09/01/06)

11006.4.7 Reporting of Payment Problems
Providers should contact the Child Care Monitor if a payment error is suspected on the site payment statement, or if additional information is needed regarding the transaction listed on the statement.

DSS must be informed no later than 60 days after the first statement was sent.

EXAMPLE: The October attendance report is submitted in November for payment. Upon reconciling provider records with the DSS site payment statement, the provider determines that an error was made. The provider must notify the monitor no later than January 30 that an error was made.

The following information is needed:
A. provider name,
B. provider identification number or EIN/Social Security number,
C. child(ren)'s name and identification numbers,
D. dollar amount of the suspected error, and
E. a description of the error or payment is question and a clear explanation of why an error is believed to have occurred or why additional information is needed.

DSS will investigate the complaint and correct any error. The corrected payment will be included in the following month’s payment.

If a provider fails to notify DSS of an error or problem within the 60 day time frame, the provider may be subject to loss of payment.

11006.5 Termination

Providers may terminate a child(ren) for the following reasons.
A. The parent/caretaker frequently abuses/disregards operating policy of the facility (hours, etc.).
B. The parent/caretaker fails to pay the established fee or is frequently late with payment.

Five calendar days notice must be given to the parent/caretaker and the DSS Case Manager. Termination MUST be in writing and a copy sent to the Case Manager.

11006.5.1 Terminating Providers

45 CFR 98.40, 11 Del.C. Ch. 85

This policy applies to all providers, including self-arranged clients.

DSS May Terminate Providers with Just Cause

1. The Division of Social Services may terminate any provider or self-arranged client from the Child Care Subsidy Program (Purchase of Care) if she or he:
   A. Has a suspended, closed or terminated Office of Child Care Licensing (OCCL) license.
   B. Commits fraud against DHSS.
   C. Charges fees not allowed by the Child Care Contract, Division policy, or a Division approved waiver; has failed to reimburse those fees and/or has repeated offenses in this area.
   D. Charges Purchase of Care Plus fees when she or he is not a DSS authorized POC Plus provider.
   E. Does not keep accurate records per the DSS Child Care Contract; has had repeated offenses, has been counseled and has failed to meet the requirements of a corrective action plan agreed upon with the Child Care Monitor.
   F. Does not keep an open bank account to receive direct deposit payments from the Child Care Subsidy Program. Direct deposit is mandatory for all DSS child care subsidy providers effective May 1, 2008.

2. In addition to the items mentioned above, the Division of Social Services may terminate any relative care provider from the Child Care Subsidy Program (Purchase of Care) if she or he:
   A. Does not complete the 47 hours of mandatory health and safety training hours within 18 months of becoming a relative or non-relative care provider as outlined in the initial orientation session.
   B. Has an unsuitable criminal history or a member of the provider’s household has an unsuitable criminal history. DSS uses Office of Child Care Licensing (OCCL) guidelines and Title 11, Chapter 85 of the Delaware Code to determine unsuitable criminal history.
11006.6 Complaints

Client Complaints

Clients may make a complaint when they believe a facility is not meeting the licensing regulations or the provisions of the DSS contract. When a client makes a complaint to a Case Manager, the Case Manager will complete a Client Provider Complaint Form (Form 633). The Case Manager will forward the complaint to the Office of Child Care Licensing with a copy to the Child Care Monitor. Licensing will send results of the investigation to the Child Care Administrator.

Provider Complaints

Providers may make complaints regarding clients to the Case Manager. The complaint should be in writing.

Clients will send provider complaints regarding DSS provider contracts or payments process to their Case Manager. The Case Manager will send the complaint to the Child Care Administrator.