

**DEPARTMENT OF HEALTH AND SOCIAL SERVICES**  
**DIVISION OF SOCIAL SERVICES**

Statutory Authority: 31 Delaware Code, Section 512 (31 **Del.C.** §512)

**PROPOSED**

**PUBLIC NOTICE**

**Child Care Subsidy Program**

In compliance with the State's Administrative Procedures Act (APA - Title 29, Chapter 101 of the **Delaware Code**) and under the authority of Title 31 of the **Delaware Code**, Chapter 5, Section 512, Delaware Health and Social Services (DHSS) / Division of Social Services is proposing to amend Child Care Subsidy Program policies in the Division of Social Services Manual (DSSM) regarding Determination of the Child Care Parent Fee and Fee Waiving Situations.

Any person who wishes to make written suggestions, compilations of data, testimony, briefs or other written materials concerning the proposed new regulations must submit same to Sharon L. Summers, Policy, Program & Development Unit, Division of Social Services, 1901 North DuPont Highway, P.O. Box 906, New Castle, Delaware 19720-0906 or by fax to (302) 255-4425 by December 31, 2010.

The action concerning the determination of whether to adopt the proposed regulation will be based upon the results of Department and Division staff analysis and the consideration of the comments and written materials filed by other interested persons.

**SUMMARY OF PROPOSED CHANGE**

The proposed change described below amends Child Care Subsidy Program policies in the Division of Social Services Manual (DSSM) regarding Determination of the Child Care Parent Fee and Fee Waiving Situations. The purpose of this revision is to reduce the number of situations in which a family does not have a parent fee.

**Statutory Authority**

45 CFR §98.20, *A child's eligibility for child care services*

45 CFR §98.40, *Compliance with applicable State and local regulatory requirements*

**Summary of Proposed Change**

**DSSM 11004.7**, *Determination of the Child Care Parent Fee and Fee Waiving Situations* is updated to eliminate specific situations which allow the child care parent fee to be waived. This change is necessary to continue providing services to each family that is eligible for a child care subsidy.

**DMMA PROPOSED REGULATION #10-47**

**REVISION:**

**11004.7 Determination ~~Of The~~ of the Child Care Parent Fee and Fee Waiving Situations**

45 CFR §§98.20 and 98.42

~~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.~~

~~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.~~

Families in Delaware's TANF Program in Categories 11 and 12, and General Assistance (GA) families.

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.).

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 fees 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.

Total income per month equals: \$1,300.00

Total expenses are: \$ 85.00

After deductions: \$515.00

\$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.

Total income per month equals: \$2,203.00

Total expenses are: \$785.00

After deductions: \$1,418.00

\$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.

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.

See Administrative Notice: A-08-2004 Waiving Child Care Fee

A-13-99 Child Care Fees/ Waiving Fees For Caretakers of ABC or GA Children

Families are required to contribute to the cost of child care services. All families receiving subsidized child care will have a parent fee except:

1. Families active with and referred by the Division of Family Services (DFS) including foster care families.
2. Teen parents 18 years old or younger attending high school or a high school equivalent.

**14 DE Reg. 533 (12/01/10) (Prop.)**