

# Bulletin

June 28, 2007

Minnesota Department of Human Services □ P.O. Box 64941 □ St. Paul, MN 55164-0941

**OF INTEREST TO**

- County Directors
- County Supervisors and Staff
  - Child Care
  - Child Support
  - Fiscal
  - Fraud
  - Income Maintenance
  - Social Services
- County Child Care Administrative Contacts and Client Access Contacts
- Child Care Resource and Referral Agencies
- Employment Service Providers
- Tribal Representatives

**ACTION/DUE DATE**

Please read and implement according to the date of change.

**EXPIRATION DATE**

The policies in this bulletin are effective thru June 28, 2009.

## Child Care Assistance Program Modifications Enacted by the 2007 Legislature

**TOPIC**

Overview of the 2007 Child Care Assistance Program legislation.

**PURPOSE**

Inform county agencies, employment and training service providers, child care resource and referral agencies, and tribal social service agencies of program and policy modifications enacted by the 2007 legislature.

**CONTACT**

Contact your CCAP Technical liaison (see Page 2) or submit your question through Policy Quest.

CCAP Technical Liaisons (see Page 2)  
Minnesota Department of Human Services  
P.O. Box 64951  
St. Paul, MN 55164-0951

**SIGNED**

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CHARLES E. JOHNSON  
Assistant Commissioner  
Children and Family Services

## I. Introduction

The results of the 2007 legislative session include policy related statutory changes affecting the Child Care Assistance Program (CCAP) and early childhood development initiatives, supervised by the Department of Human Services. This bulletin provides relevant information on statutory changes to counties, tribes and other agencies that administer CCAP.

Some of the changes in this bulletin are identified for informational purposes; other changes require agency action. **If you have questions about this bulletin that require immediate attention, please contact your CCAP Technical Assistance Liaison. All other questions should be directed to PolicyQuest. For counties with cases already converted to MEC<sup>2</sup>, additional details about system implementation of these legislative changes will be communicated directly from MEC<sup>2</sup> staff to system users. For counties with cases on CCMA, additional details about system implementation of these legislative changes will be communicated directly from DHS system staff to system users.**

Changes referenced in this bulletin are effective July 1, 2007, unless otherwise noted.

### Technical Liaisons contact information:

Region	Technical Liaison	Phone Number	Email Address
2, 3, 5, 7E	Tia Chang	(651) 431-4036	<a href="mailto:tia.chang@state.mn.us">tia.chang@state.mn.us</a>
4	Brenda Clark	(651) 431-4047	<a href="mailto:brenda.clark@state.mn.us">brenda.clark@state.mn.us</a>
6E, 6W	Maya Sullivan	(651) 431-4003	<a href="mailto:maya.sullivan@state.mn.us">maya.sullivan@state.mn.us</a>
7W, 10, 11	Merianne Peterson	(651) 431-4035	<a href="mailto:merianne.peterson@state.mn.us">merianne.peterson@state.mn.us</a>
1, 8, 9	Joan Anderson	(651) 431-4037	<a href="mailto:joan.k.anderson@state.mn.us">joan.k.anderson@state.mn.us</a>

## II. Changes in Child Care Statute

### A. Income Eligibility and Parent Fees

The child care assistance program copayment schedule is changed to decrease copayments for families with income over 100% of the federal poverty guidelines (FPG). The highest amount a parent might pay in CCAP copayments is decreased from 18% of a family's gross income to no more than 14% of a family's gross income. Families between 75-100% FPG will continue to pay a \$5 copayment and families below 75% FPG will continue to have a \$0 copayment. This change is effective July 1, 2007. Refer to the updated copayment bulletin # 07-68-07 for the new fee schedule and implementation information.

Effective July 1, 2008, income eligibility and the copayment schedule will convert to State Median Income from the Federal Poverty Guidelines. The conversion must be made based on a family size of three. The department will release a bulletin prior to the effective date with more information about this change.

## **B. School Readiness Service Agreements**

The 2007 Legislature appropriated \$1 million in state fiscal years 2008-09 to provide incentives for parents and providers to promote the skills and abilities that children need to succeed in school. This initiative will be known as “School Readiness Connections”. It builds off the existing Child Care Assistance Program infrastructure and is designed to determine whether strategic investment of school readiness funding in combination with assistance to support child care for working families can improve outcomes for children at risk of not being ready for school. Child care providers serving children age zero to five years who are participating in the Child Care Assistance Program (CCAP) and serving high concentrations of low income children or children receiving child care assistance, may be eligible to apply for approval as a School Readiness Connections provider. Child care providers selected by the Department of Human Services through the application process will be eligible for a higher CCAP maximum payment and children from families who meet SRC eligibility requirements will be allowed to participate with the provider on a full time basis for up to a year even if the parent's work schedule changes. Applications for child care providers will be available through DHS mid-summer 2007.

## **C. Absent Day changes**

Effective January 1, 2009, the absent day limit exemptions are expanded to include more circumstances when illnesses can be exempt from the 25 day absent limit for purposes of CCAP payment. This change allows absence due to sibling or parent illnesses and illnesses documented by a public health official or school nurse to be considered. This change in law also expands those who can sign the medical documentation exemption form if the child is sent home from child care provider due to a medical reason. This change allows children of parents who are under 21 years of age and who are attending school to be exempt from the absent day limit when certain conditions are met. The change in law allows counties to establish absent day policy that exceeds the current statewide 25 day limit, according to market practice, and if approved in their child care fund plan. The department will release additional details to support implementation of these policy changes closer to the effective date.

## **D. At-Home Infant Care Program (AHIC)**

Funding for the At-Home Infant Care Program (AHIC), which allowed families to receive a subsidy in lieu of child care assistance for up to twelve months while they stayed home to care for an infant up to one year of age, ends as of July, 1, 2007.

Payments through the At-Home Infant Care Program will be allowed for care provided through June 30<sup>th</sup>, 2007. All final AHIC payments must be reported on the June 2007 Child Care Fund Fiscal Report. Payments reported on a Child Care Fund Fiscal Report after June 2007, will not be reimbursed to the counties. Agencies were informed of this in an email on May 30, 2007, but you must give families a notice of any action adversely affecting participants at least fifteen calendar days before the effective date of the action. Families whose AHIC cases close can choose to enter the Basic Sliding Fee program, if eligible, in an active, suspended, or temporarily

ineligible status, or the family should be added to the BSF waiting list if it is determined that the family will not be eligible within the temporarily ineligible timeframe but may be eligible by the time the family reaches the top of the county's BSF waiting list.

### **Required Action**

- All AHIC cases need to be closed, effective June 30, 2007, following appropriate notice requirements.
- All new AHIC funding requests need to be submitted to DHS before June 30, 2007.
- All final AHIC payments must be reported on the June 2007 Child Care Fund Fiscal Report.
- The family may apply for AHIC, however all applications received July 1, 2007, and after must be denied because no funding was allocated for the current biennium.
- A flyer has been developed (see attachment A) regarding the lack of funding for AHIC. Please insert it with the AHIC Application Supplement (DHS 4169) beginning July 1, 2007 if a parent requests AHIC.

### **E. Provider Changes**

#### **Legal Nonlicensed (LNL) Provider Authorization**

Currently, persons **who are convicted** of wrongfully obtaining public assistance through the criminal process are not allowed to be authorized as LNL child care providers for payment purposes in the child care assistance program. A change to Minnesota Statutes, section 119B.125, subdivision 2, expands current law by including persons who have been found guilty of wrongfully obtaining public assistance through an **administrative court process** or other **judicial administrative processes** identified in Minnesota Statutes, section 256.98 in this exclusion.

#### **Accreditation Credential**

A change to Minnesota Statutes, section 119B.13, subdivision 3a, clarifies that a degree above a bachelor's degree in early childhood education from an accredited college or university and a child development associate credential also are considered recognized credentials that would allow a family child care provider to receive the rate differential for accreditation.

### **F. Other Policy Changes**

#### **Compliance System**

The CCAP is added to the list of programs covered under the Compliance System statute. The purpose of the compliance system identified in Minnesota Statutes, section 256.017 is to permit the commissioner to supervise the administration of public assistance programs and to enforce timely and accurate distribution of benefits, completeness of service and efficient and effective program management and operations, to increase uniformity and consistency in the administration and delivery of public assistance programs throughout the state, and to reduce the possibility of sanctions and fiscal disallowances for noncompliance with federal regulations and state statutes. This change added CCAP to the list of programs governed by this statute.

### **Interest on Overpayments**

Child Care Assistance overpayments are now excluded from the requirement to charge interest. Minnesota Statutes, section 16D.13, subdivision 3 added child care as an exclusion from the requirement (16D.13, Subd. 1) that interest be charged for the receivables on certain public assistance programs administered through MAXIS.

### **Family Stabilization Services**

Minnesota Statutes, section 119B.011, is amended to add the definition of *Family Stabilization Services* as identified under Minnesota Statutes, Chapter 256J. An addition to Minnesota Statutes, section 119B.05, subdivision 1 identifies that these families are eligible for MFIP child care assistance. The family stabilization services are effective February 1, 2008. Refer to DHS bulletin # 07-11-03 for additional information.

### **Payment of other child care expenses for families on CCAP**

Minnesota Statutes, section 119B.09, subdivision 11 excludes as family income, payment made by a source other than the family, of part or all of a family's child care expenses not payable under the CCAP. This payment does not affect the family's eligibility for child care assistance, if the funds are paid directly to the family's child care assistance provider on behalf of the family. For example, scholarships may not cover the same expenses as paid by CCAP, but could cover the copayment, the costs above the maximum rate, or charges for time not covered by CCAP. Providers who accept payments made by a source other than the family must maintain family specific documentation of payment source, amount, type of expenses and time period covered.

### **Perjury Declaration**

A change to Minnesota Statutes, section 256.984, subdivision 1, adds a perjury declaration to the application for CCAP. Department staff will be updating the application on Edocs to reflect this change.

### **Home Visits for Legal Nonlicensed Providers**

The Department of Human Services in consultation with the Department of Health and Minnesota counties must develop a plan to allow unlicensed child care providers receiving child care assistance payments to receive a one time home visit to receive information on health and safety and school readiness. The Department of Health must make recommendations related to this plan to the legislature in January 2008.

### **Child Care Provider study**

The commissioner of human services is directed to study the implications of restricting the use of state subsidies on center based child care to centers meeting state quality standards and to publish the results no later than January 1, 2010.

### **Rate Survey**

Minnesota Statutes, section 119B.13 subdivision 1(c ) was changed to require the department to conduct the rate survey on an annual basis. This change reflects the department's current practice. This change does not allow for new maximum rates to be released.

## **III. Early Childhood Development Initiatives**

### **Child Care Resource & Referral (CCR&R) System**

As it becomes more evident that Minnesota children are being cared for in various types of child care settings, DHS is requiring CCR&R sites to work with licensed providers as well as legal non-licensed providers also known as family, friend and neighbor (FFN) caregivers. To that end, DHS has begun to identify information that CCR&Rs should gather to better serve those communities. This information includes the names, addresses, and telephone numbers of FFN caregivers who care for children receiving CCAP. The Information Policy and Analysis Division of the Department of Administration has issued an opinion stating that the names, addresses, and telephone numbers of FFN providers authorized by CCAP, along with the other information listed in Minnesota Statutes, section 14.36, subdivision 4, is public information. Consequently, counties can release the names, addresses, and telephone numbers of FFN providers who are authorized by CCAP to CCR&Rs upon request.

In addition, changes in the 2008-09 CCR&R contracts have been made related to data privacy that will designate the CCR&R grantees as part of the "welfare system" for purposes of the Minnesota Government Data Practices Act. Therefore, beginning July 1, 2007 the CCR&R system and county CCAP offices may share information about providers or parents that is classified as private data under Minnesota Statutes, section 13.46, when that sharing is required to determine what services to provide to a family, is required to evaluate program effectiveness, or is otherwise authorized by section 13.46, subdivision 2.

### **Child Care Services Grants**

A one time funding of \$500,000 was provided for child care service grants to providers to improve child care quality.

### **Early Childhood and School Age Professional Development Training**

The Department of Human Services in consultation with the Departments of Education and Health will develop and phase in the implementation of a professional development system for practitioners serving children in early childhood and school age programs.

### **Early Childhood Training**

DHS with input from the Minnesota Licensed Family Child Care Association and the Minnesota Professional Development Council, is required to identify training that qualifies for the new two-hour early childhood development training licensing requirement for family child care providers by January 15, 2008.

### **Family, Friend and Neighbor (FFN) Grant Program**

The 2007 Legislature established a family, friend and neighbor grant program to promote children's early literacy, healthy development, and promote school readiness in FFN child care settings. Grants shall include support for partnerships with public and regional library systems, community organizations and tribes and will be evaluated in consultation with the University of Minnesota.

### **Pre-kindergarten Exploratory Projects**

DHS received one time funding of \$6 million to establish three pre-kindergarten exploratory projects in partnership with the Minnesota Early Learning Foundation to promote children's school readiness in the City of St. Paul, Hennepin County and Blue Earth County. Families with income at or below 185% of the FPG may receive up to \$4,000 in allowances to pay for quality early childhood education in a program approved by DHS through the quality rating system or by the Minnesota Department of Education.

Allowances paid to families under this program may not be counted as income for the purposes of medical assistance, MinnesotaCare, MFIP, child care assistance or Head Start programs.

## **IV. Special Needs**

This information is available in other formats to people with disabilities by contacting Aaron Coonce at 651-431-4048, or through the Minnesota Relay Service 1-800-627-3529 (TDD), 7-1-1 or 1-877-627-3848 (speech to speech relay service).

## **V. Legal References**

Minnesota Statutes, sections 119B.01 to 119B.16

Minnesota Rules, parts 3400.0010 to 3400.0235

Federal Child Care and Development Fund, 45 CFR Parts 98 and 99

Laws of Minnesota 2007 Legislative Session, Chapter 147

## **VI. Attachments**

- A. At Home Infant Child Care Program Flyer

## At Home Infant Care Program

Effective July 1, 2007,  
The At Home Infant Care  
Program (AHIC) which provides  
a parent who cares for their infant  
child a subsidy in lieu of assistance  
will end because the program  
received no funding for  
2008-2009.

You can apply for this program  
however the county will deny your  
application because the program  
has no funding to pay eligible  
AHIC families.