

DEPARTMENT OF SOCIAL SERVICES

CHILDREN'S DIVISION

P. O. BOX 88

JEFFERSON CITY, MISSOURI

January 16, 2014

M E M O R A N D U M

What's Inside:

Transitional Child Care
Level 2

Child Care policy Manual
update sections
1210.025.00 INCOME
ELIGIBILITY GUIDELINES
and 1210.025.05
BUDGETING PROCESS

TO: ALL REGIONAL AND COUNTY CD AND FSD STAFF

FROM: TIM DECKER, DIRECTOR
CHILDRENS DIVISION
ALYSON CAMPBELL, DIRECTOR
FAMILY SUPPORT DIVISION

SUBJECT: **TRANSITIONAL CHILD CARE LEVEL 2**

DISCUSSION:

Section 1210.025.00 Income Eligibility Guidelines of the Child Care Assistance Manual has been updated to include new policy for Transitional Child Care Level 2. A second level of Transitional Child Care (TCC) was implemented in FAMIS effective January 1, 2014. Households with income that exceeds traditional Child Care (CC) and Transitional Child Care Level 1 (TCC1) may be eligible for Transitional Child Care Level 2 (TCC2), at 50% of the traditional child care benefit, if all other eligibility requirements are met. Households must be active benefit recipients at the time the income exceeds the traditional CC or the TCC1 income limit in order to be eligible for TCC2 benefits. Households eligible for TCC2 are required to pay sliding fees of \$5.00 for a full day, \$3.25 for half day and \$2.25 for part day care for each child, unless the child has a designated special need.

Transitional Child Care is now referenced as Transitional Child Care Level 1 (TCC1). Households with income above the traditional income limit, yet below the TCC1 income limit will remain eligible for TCC1 at 75% of the traditional child care benefit. There are no changes in TCC1 eligibility, sliding fee or payment policies.

TCC2 eligibility applies only to households that are currently active and have a change in circumstances that will make the household ineligible for benefits at the traditional CC and TCC1 standards. TCC2 is not time limited and does not require any additional reporting to remain eligible. Households are still required to reapply for benefits annually and are subject to the same change reporting requirements as all other child care households.

Active and reapplying households can qualify for either TCC1 or TCC2. New applicants and applicants whose child care eligibility lapsed will have eligibility for child care benefits evaluated only at the traditional CC eligibility level.

When an active household reports a change that results in net income exceeding the traditional CC income level, FAMIS will evaluate eligibility for TCC1 using the TCC1 income standard. This can be a change in income, household size, and/or medical insurance premiums. If the household's income exceeds the TCC1 income level, FAMIS will evaluate eligibility for TCC2. If the net income exceeds the TCC2 standard, FAMIS will recommend closing the case due to excessive income (action AACL, reason MAX). If the household's income is above the traditional CC standard, but below the TCC1 standard, FAMIS will recommend an adverse action benefit reduction (AABR). After the adverse action expires, the action code TRCC will appear on EULOG indicating that the EU has been converted to TCC1. If the household's income is above the TCC1 standard, but below the TCC2 standard, FAMIS will recommend an adverse action benefit reduction (AABR). After the adverse action expires, a new action code, TRC2, will display on EULOG indicating that the EU has been converted to TCC2.

When an active household reapplies for benefits before the end of the current eligibility period, FAMIS will first evaluate the income using the traditional CC income standard. If the household's income exceeds the traditional CC standard, FAMIS will evaluate eligibility at the TCC1 standard. If the household's income exceeds the TCC1 standard, FAMIS will evaluate eligibility at the TCC2 standard. If the household's income exceeds the TCC2 standard, FAMIS will recommend rejecting the application due to excessive income (action REJC, reason MAX). If the household's income is greater than the traditional CC standard, but less than the TCC1 standard, FAMIS will recommend approving the application at the TCC1 level (action APPR). If the household's income is greater than the TCC1 standard but less than the TCC2 standard, FAMIS will recommend approving the application at the TCC2 level (action APPR).

The TCC flag in FAMIS will now appear as N, 1 or 2, depending on the household's eligibility, instead of the N/Y that currently displays in FAMIS. The TCC flag appears on the following screens:

EUSUMM (FM0J)
Action Authorization (FM3H)
CCBUDSUM (FM3T)
CCATTEND (FM5P)

A TCC flag of 1 or 2 will also appear on the provider's paper invoices and online invoices for each child receiving transitional child care benefits.

When a family is eligible for TCC2, benefits are paid at 50% of the state maximum rate (or 50% of the provider's rate, whichever is lower). As rates are based on several factors specific to the provider and child (child's age, time of day care is provided, provider's geographic location, provider's legal status, eligibility for rate differentials, etc) notices generated to the family and to the provider will reflect each child's daily rate, as opposed to each child's sliding fee. Notices will also notify the family and provider whether the family is eligible for TCC level 1 or 2. Rates will take into account a sliding fee of \$5.00/\$3.25/\$2.25 for each child, unless the child is designated as Special Needs.

Child Care (CC) Worker Initiated Budget Calculation Area (WIBCA – FMXH)

The WIBCA process for TCC has not changed (please refer to memo CD09-06/OEC09-02 (<http://dss.mo.gov/cd/info/memos/2009/cd0906.pdf>)). When a WIBCA is needed to determine continuous eligibility for TCC, FAMIS will determine TCC1 or TCC2 on the WIBCA, based on income and other information entered.

Active cases with a pending closing (AACL) for maximum income (MAX) will need to be evaluated once the change is moved into the FAMIS system. County Managers will be sent a report containing the cases that will need to be evaluated and a new determination (EDRES) run in FAMIS to determine eligibility for TCC2.

NECESSARY ACTION <ol style="list-style-type: none">1. Review this memorandum with all Family Support Division staff.2. Review revised Child Care Assistance Program sections as indicated below.3. All questions should be cleared through normal supervisory channels and directed to:	
PDS/MAS II CONTACT Lisa Schroeder 573-751-4031 Lisa.M.Schroeder@dss.mo.gov	PROGRAM MANAGER Brenda LaBella 573-751-6793 Brenda.I.LaBella@dss.mo.gov
CHILD CARE ASSISTANCE PROGRAM MANUAL REVISIONS 1210-025-00 INCOME ELIGIBILITY GUIDELINES	
FORMS AND INSTRUCTIONS (List or put N/A if not applicable.)	
REFERENCE DOCUMENTS AND RESOURCES Transitional Child Care Income Guidelines - Level 1 and Level 2	
RELATED STATUTE N/A	
ADMINISTRATIVE RULE N/A	
COUNCIL ON ACCREDITATION (COA) STANDARDS N/A	
CHILD AND FAMILY SERVICES REVIEW (CFSR) N/A	
PROTECTIVE FACTORS (Link applicable factors and enter N/A if not applicable.) Parental Resilience N/A Social Connections N/A	

Knowledge of Parenting and Child Development N/A
Concrete Support in Times of Need N/A
Social and Emotional Competence of Children N/A

FACES REQUIREMENTS

N/A