

COLORADO DEPARTMENT OF HUMAN SERVICES 1575 SHERMAN ST., DENVER, COLORADO 80203-1714 AGENCY LETTER	NUMBER: CC-11-04-P
	CROSS REFERENCE NUMBER:
DIVISION: Children, Youth and Families	DATE:
PROGRAM AREA: Child Care - CC	DIVISION DIRECTOR: Roger Esquibel for Rosemarie Allen
TITLE: CCCAP Eligibility Determination (Documentation, Calculation and Verification Requirements) and Parent Fee Calculation. TYPE: P - Procedure	DEPUTY EXECUTIVE DIRECTOR: <i>Reggie Bicha</i>

Purpose:

The purpose of this Agency Letter is to clarify Colorado Child Care Assistance Program (CCCAP) eligibility requirements and to ensure County Departments of Human/Social Services have an accurate understanding of required program verification and documentation of income and parental fee calculations, as well as the ability to apply a standard income and parental fee calculation to all cases.

Information:

Income:

Counties must maintain complete documentation and verification to support how household income is calculated and how the parental fee is calculated. This includes three (3) full calendar months of income verification such as pay stubs or self-employment ledgers. The three (3) months immediately prior to application or re-determination must be used unless circumstances warrant a different period of time as in the case of a contract employee or change in employment (3.919.E (3)). The specific reason for a longer or shorter period of employment verification must be documented in detail in the case comments. In the event that three (3) full months of income is not available (in the case of a new job or change in hourly wage or hours), an employer letter or other written documentation from the employer is required within thirty (30) days of the change. If employer verification is obtained verbally in the interim thirty (30) days, detailed documentation of verbal verification is required and, at a minimum, shall include the name and title of the person providing the verification, his or her contact information including phone number, as well as, the adult caretaker's rate of pay, hours worked, pay frequency, any tips/commissions or bonuses, and the thirty (30) day written verification due date.

CHATS functionality supports the required documentation on how income is calculated. This is maintained on the "Eligibility Detail – Financial Eligibility Results" window and must be reviewed for accuracy by the county worker each time a case is created or updated in CHATS and prior to authorization.

County workers shall enter three (3) full calendar months of income OR a best estimate.

Enter a Best Estimate in CHATS:

CHATS will use the data entered in the "Estimated Income" field and the frequency to determine the monthly and annual income. County Workers should NOT convert income manually by 4.33 prior to entering the amount into CHATS.

CHATS Actual Income:

CHATS calculates earned income as follows based on actual paychecks entered (see the CHATS Income Quick Reference Guide for calculation details. This document is located at <https://my-cdhs.state.co.us/alfresco/d/d/workspace/SpacesStore/343e436c-cdb3-11df-8881-d5a6f134b9c8/CHATS%20Income%20Quick%20Reference%20Guide.pdf>):

Weekly or every other week pay frequency:
Total three (3) month gross income divided by the number of paychecks times 4.33 = monthly gross times 12 months = ANNUAL COUNTABLE INCOME. County workers should NOT convert income manually to weekly or every other week prior to entering into CHATS.

Example of CHATS calculations: A adult caretaker is paid weekly. The county worker enters 13 paychecks (3 months of income) into CHATS for a total gross income of \$6309.39.

\$6,309.39	3 Month Gross
	divided by 13
/13	checks
\$485.34	Weekly gross
	Weekly
X 4.33	Conversion
\$2,101.51	Monthly Gross
X 12	12 Months
	Annual Countable
\$25,218.15	Income

See the CHATS Income and Deductions User Manual for a detailed description and step-by-step instructions. The above-described calculations are all completed by CHATS and only require county workers to enter gross income and pay frequency.

Parental Fees:

CHATS functionality also supports the required documentation on how the monthly parental fee is calculated. This is maintained on the "Parent Fee Results" window under the heading of "Case Parent Fee Summary".

CHATS will calculate and document the parental fee calculations for full time and part time care.

In the above example, the Annual Countable Income is \$25,218.15 and the household size is 3 (one adult and two children, both of whom are requesting child care assistance). The annual income is at 143% of the current Federal Poverty Guideline (FPG). The fulltime parental fee is 11% of the income plus \$25 for each additional child. Annual income \$25,218.15 divided by 12 = \$2101.51 monthly income times 11% (3.905.B.9) = \$231.17 plus \$25 flat fee for child number 2 = \$256.17 fulltime parental fee. This figure will appear on the "Parent Fee Results" window under the heading of "Case Parent Fee Summary".

Residency:

Counties are required to verify and maintain documentation of the county of residence for applicants (3.913, EE). Verification includes, but is not limited to, a lease, county property records, voter registration, and utility bills that list the address of residence.

Additional Verification:

Counties are required to verify and maintain documentation of the identity and citizenship of each child for whom child care assistance is requested (3.905, C, 8). If the child does not have a picture ID to verify identity then the adult caretaker shall attest to the child's identity by means of signing the application/re-determination and providing a picture ID to verify the adult caretaker or teen parent's attestation authority.

Counties are required to verify and maintain documentation of the citizenship or qualified resident alien status of any children who are requesting child care assistance no more than six (6) months from the date of application (3.913, II).

Counties (or providers, based on county policy) are required to verify and maintain documentation of age appropriate immunizations for all children who are not attending school or written verification of the "religious or medical exemption." (3.919, H, 2)

Counties are required to obtain and maintain verification of the adult caretaker's scheduled activity or activities for which child care is requested (3.905, C, 7).

Case Notes Window:

"Case Address Change" – used when only the address changes. There must be additional information included in this note documenting how residence was verified and confirmation of county residence.

"Case Approval" – used each time a case is approved. This note must include the current household circumstances such as household composition, earned and unearned income, primary activity for which care is requested and any other pertinent household circumstances. This typically would be about a paragraph in length. (Example: Client applied on December 1, 2008 and approved for care as of December 15, 2008 since that is when provider was chosen. This household includes mom and two children in care. Mom works for Wendy's and is paid biweekly. Income determined by using two pays stubs from September, three pay stubs for October and two pay stubs for November. Total gross income is \$1800. Avg. income per month based on CHATS calculation is \$556.71 monthly. Parental fee is \$38.97 to begin in January after proper notice.)

"Eligibility Override" – used only when the worker overrides the eligibility determination. The county worker must detail in the case notes why the override is necessary and what facts support the decision. Examples of acceptable reasons to override eligibility, parental fees or re-determinations include, but are not limited to:

- Eligibility can be overridden if the client has moved to a new county and needs child care before the previous county can close their case.
- Eligibility can be overridden if the county serves families for six months after their income exceeds the county income ceiling as long as it does not exceed eighty-five percent (85%) of the State Median Income.
- Eligibility can be overridden if the case is in appeal status and the adult caretaker has requested care continue until the hearing is resolved.

- Parental fees can be overridden if prior written notice was provided to the adult caretaker and the system-generated notice does not have fifteen (15) days prior to the first of the next month to establish the parental fee. (You will be required to use the designated override reasons.)
- Parental fees can be overridden if your county has an approved waiver for the parental fees.
- Parental fees can be overridden for a hardship as approved by your county policy.
- Parental fees can be overridden if your county serves families for the additional six months and has higher graduated parental fee schedule to transition families off of child care assistance.
- Re-determination due dates will be overridden if the date the case is worked is different than the date of application or when the re-determination was due. (Re-determinations are due twelve (12) months after the application day and twelve (12) months after the due date of the previous re-determination.)
- Re-determination due dates will be overridden if significant changes occurred in the family's circumstances and a re-determination is needed earlier to capture all changes.

“Eligibility Re-determination” – used each time a re-determination is completed. This note should include the date the re-determination was received, the verification that was included and any changes in household circumstances.

“Household Composition Change” – used only when there is an addition or reduction to the number of people in the home. This must include information on how this change was verified.

“Income Change” – used only when there is a change in income. This note must include how the change in income was verified and how the new income amount was calculated.

“Parental Fee Change” – used only when the parental fee changes. This note must include documentation as to why the parental fee changed. If it is a hardship parental fee, document the reasoning used to determine the hardship and the length of the hardship.

“State ID Merge – Completed,” “State ID Merge – Conflict Exists,” and “State ID Merge – Conflict Resolved” – these are used whenever a State ID Merge is requested. This note must include documentation of the conflict in data, how the information was verified and for tracking purposes it must also include information that was in place prior to the State ID Merge.

Provider Notes Window:

“Alert” – used when the worker receives a system alert. Document the “alert name” and the actions taken to resolve the alert.

“Appointment” – used when the provider needs to attend a Point of Service Device (POS) Training with the county or other appointment.

“Closed Due to Other Reason(s)” – used when a Fiscal Agreement is closed for any reason other than at the provider’s request. List the reason for the closure and the date the closure is effective.

“Fiscal Agreement General” – used as a general note related to the fiscal agreement. Use this for a variety of reasons like increases in provider reimbursement rates.

"Fiscal Agreement Closed at Provider Request" – used when the provider requests that the fiscal agreement be closed. Document the request date, the fiscal agreement end date and if the request was verbal or in writing.

"Fiscal Agreement Mailed to Provider" – used when the fiscal agreement is mailed to the provider. This is meant for tracking when counties mailed the fiscal agreement and when it should be returned.

"Fiscal Agreement Setup Requested" – used when the fiscal agreement is being set up to document the initial contact with a new provider and to track the gathering of private pay rates, Point-of-Service Agreements, and other necessary set-up requirements.

"Fiscal Agreement Updated" – used when renewing or updating the fiscal agreement. This code must only be used when there is physically a new fiscal agreement for the file.

"Fraud" - used only in cases where fraud has been determined by court hearing or when provider signs "The Waiver of Administrative Disqualification Hearing/Intentional Program Violation" form.

"General" – used as a general note regarding any contact with the provider.

"Payment General" – use when any action or changes are made related to provider payment. This must be used when a provider is paid differently than what they billed or if the payment is delayed for some reason.

"Recovery General" – used when a recovery is established against a child care provider. It is important that counties document the circumstances for provider recoveries in a thorough manner and indicate if they are going to offset future payments.

"Intentional Program Violation" –used when the local or state administrative process results in an IPV or when provider signs "The Waiver of Administrative Disqualification Hearing/Intentional Program Violation" form.

"Flag Provider" – used when the provider has had questionable billing practices or are on probation. Comment should include any details as to why the county worker is flagging the provider sufficient for others to understand reason for flag.

Un-Flag Provider" – used when the action or reason that caused the provider to be flagged has been resolved. Comments should be of sufficient detail for others to understand why the issue has been resolved.

Effective Date:

Immediately

Supersedes:

CC-09-05-P

Contact Person:

Patricia "Trish" Logan (303) 866-3960 or patricia.logan@state.co.us

Attachment:

CCCAP Income Calculator

Last Name _____

First Name _____

Date Completed _____

Household Number _____

A	B	C	D	E	F							G	H	I	J	K	L	M
					Enter Number of Daily Hours Needed for Approved Work Activity													
Employer Name	Salary Frequency	Salary Date	Average Number of Days Per Pay Period	Gross Salary	Sun.	Mon.	Tues.	Wed.	Thurs.	Fri.	Sat.	Total Hours Requested	Daily Salary Calculation	Average Weekly Salary	Average Hourly Wage	Federal Minimum Wage	Difference: Actual Vs. Federal Hourly	Continue or Ineligible Based on Hourly Wage
	Daily	09/11/2009										0	#DIV/0!	#DIV/0!	#DIV/0!	\$ 7.25	#DIV/0!	
	Weekly	10/07/2009										0	#DIV/0!	#DIV/0!	#DIV/0!	\$ 7.25	#DIV/0!	
	Bi-Weekly	09/11/2009										0	#DIV/0!	#DIV/0!	#DIV/0!	\$ 7.25	#DIV/0!	
	Bi-Monthly	09/16/2009										0	#DIV/0!	#DIV/0!	#DIV/0!	\$ 7.25	#DIV/0!	
	Monthly	09/26/2009										0	#DIV/0!	#DIV/0!	#DIV/0!	\$ 7.25	#DIV/0!	
	Monthly	09/30/2009										0	#DIV/0!	#DIV/0!	#DIV/0!	\$ 7.25	#DIV/0!	
	Weekly	09/26/2009										0	#DIV/0!	#DIV/0!	#DIV/0!	\$ 7.25	#DIV/0!	
	Daily	10/02/2009										0	#DIV/0!	#DIV/0!	#DIV/0!	\$ 7.25	#DIV/0!	
	Bi-Monthly	09/22/2009										0	#DIV/0!	#DIV/0!	#DIV/0!	\$ 7.25	#DIV/0!	

November 2009

Sat	Sun	Mon	Tue	Wed	Thu	Fri
31	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	1	2	3	4
5	6	7	8	9	10	11

	Bi-Weekly	11/11/2009												0	#DIV/0!	#DIV/0!	#DIV/0!	\$ 7.25	#DIV/0!	
	Daily	09/19/2009												0	#DIV/0!	#DIV/0!	#DIV/0!	\$ 7.25	#DIV/0!	
	Monthly	09/04/2009												0	#DIV/0!	#DIV/0!	#DIV/0!	\$ 7.25	#DIV/0!	
	Daily	09/25/2009												0	#DIV/0!	#DIV/0!	#DIV/0!	\$ 7.25	#DIV/0!	
	Daily	09/03/2009												0	#DIV/0!	#DIV/0!	#DIV/0!	\$ 7.25	#DIV/0!	
	Weekly	09/17/2009												0	#DIV/0!	#DIV/0!	#DIV/0!	\$ 7.25	#DIV/0!	
Totals														0	#DIV/0!	#DIV/0!	#DIV/0!	\$ 7.25	#DIV/0!	#DIV/0!

Number of Pay Stubs Recorded

#DIV/0! Enter in CHATS, Along with Pay Frequency

If pay is daily please calculate to weekly amount.

