

**Department of Health and  
Human Services**

**Division of Welfare and  
Supportive Services**

**Child Care  
Policy Manual**

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# Child Care Program Overview

## 100 CHILD CARE PROGRAM OVERVIEW

### 101 Introduction

The Child Care Development Fund (CCDF) is the primary federal program devoted to providing families with child care subsidies. The CCDF enables low-income parents and parents receiving Temporary Assistance for Needy Families (TANF) to work or participate in education or training programs.

The Department of Health and Human Services (DHHS), Division of Welfare and Supportive Services (DWSS) acts as the Lead Agency for the Child Care and Development Program (CCDP). Program activities are accomplished through state staff and sub-grantees that are responsible for administration, management, and daily operations for the program.

### 102 General Provisions

The CCDP pays up to 100% of the state maximum rate for child care costs. Payments may be made to a provider of the parent's choice, when the provider is registered with the CCDP. Refer to manual section (MS) 600, for additional provider details.

Nevada provides child care assistance in the following funding categories:

- **New Employees of Nevada (NEON)** – Subsidy benefits provided to households that are participating in the TANF NEON program.
- **At-Risk** – Subsidy benefits provided to households that have income below 130% of the Federal Poverty Level for their household size.
- **Discretionary** – Subsidy benefits provided to households that have countable income exceeding 130% of the Federal Poverty Level but are below 85% of the State Median Income for their household size.

Within the Child Care funding categories, there are three (3) types of programs:

- **Certificate** – Provides a Certificate to an eligible household to use only for payment of child care services to an eligible provider. Reimbursements are based upon the authorized schedule and actual attendance of the eligible child. The Certificate Program *cannot* be used in conjunction with the Contracted Slot or Wraparound Programs for the same child.
- **Contracted Slots** – A Delegate Agency which has an agreement, e.g., a contract or Memorandum of Agreement (MOA), to serve an approved number of slots for low income families. These agencies are mainly before and after school programs such as Boys & Girls Clubs. Reimbursement for the month of service is authorized when a child is eligible for the entire month and attends at least one (1) day during the service month; however the reimbursement is based upon a

maximum of five (5) days per week. The Contracted Slots Program *cannot* be used in conjunction with the Certificate Program for the same child.

- **Wraparound Services** – Head Start agencies that have an agreement, e.g., a contract or MOA to serve an approved number of slots for child care services before or after the Head Start program. Reimbursement for the month of services is authorized when a child is eligible for the entire service month and attends at least 1 day during the service month; reimbursement for services is based upon a maximum of 5 days per week. Wraparound Services *cannot* be used in conjunction with the Certificate Program for the same child.

Child Care funds *cannot* be used for children enrolled in grades 1 through 12 for the following purposes:

- Any service provided during the regular school day; or
- Any service for which children receive academic credit toward graduation; or
- Any instructional services that supplant or duplicate the academic program of any public or private school (e.g., virtual school).

### 103 Availability of Child Care Subsidy Benefits

No person will be discriminated against for any reason such as race, age, color, religion, sex, disability (including AIDS and AIDS related conditions), handicap, political belief, sexual orientation, or national origin in any program funded by DWSS.

In the event of identified program funding shortfalls, otherwise eligible households will be prioritized in the following order:

- |                          |                                |
|--------------------------|--------------------------------|
| 1. NEON                  | 5. At Risk                     |
| 2. CPS/Foster            | 6. Special Needs Discretionary |
| 3. Special Needs At-Risk | 7. Homeless Discretionary      |
| 4. Homeless At-Risk      | 8. Discretionary               |

#### 103.1 Wait List

If sufficient funds are not available, the Child Care & Development Program Chief may implement a waiting list.

To be placed on the waiting list, the parent/caretaker must complete an Application for Child Care Assistance, Form 2151-WC, and be prescreened for eligibility. For purposes of placement on the waiting list, the case manager must use client self-declaration and will not pursue independent verification of information.

Households placed on the waiting list must be categorized by potential funding category and subsidy level. Families within a common funding category and subsidy level must be served based upon the date of application. The oldest application must always be served first and prioritized as determined by the CCDP Chief.

Once funding is available, households, according to the prioritization listed above, must be contacted to submit a new application and required verifications.

Requests for wait listed households to provide changes/current information must be sent out a minimum of every 3 months after initial application is placed on the wait list.

**Exception:** Adult relatives who have assumed care and control of a child(ren) prior to any action taken by a child protective agency will not be subject to wait list placement. The child(ren) will be included as a household member of the relative adult's household. Refer to MS 200 regarding traditional group set.

#### 104 Special Consideration Requests

Requests for consideration to waive specific criteria of the CCDP policy may be submitted in writing to the CCDP Chief for review. Documentation, which supports the request, is required. A written decision will be issued to the requestor who will then notify the client of the CCDP Chief's decision.

The CCDP Chief's decision is final and *cannot* be appealed.

#### 105 Duplicate Benefits

A child may participate in only one household at a time. If a child is receiving subsidy benefits with another household, benefits must not be approved for the child until he/she is removed from the other household's certificate. Refer to MS 200 regarding evaluation of households who share joint custody of a child.

#### 110 APPLICATIONS

##### 111 Applications Causing Conflicts of Interest

Case managers must not process applications that cause a conflict of interest. Conflicts of interest may include employee/employer relationship, dating relationship and/or situations in which the client is the case manager's friend, roommate or relative. The manager/supervisor will determine the best method of application processing.

##### 112 Application Types

Requests for an application for child care subsidy may be made verbally, in writing, in person, or through a representative. Upon request, every person will be mailed or given an Application for Child Care Assistance. Every person must be provided the opportunity to apply for subsidy benefits. Clients will be provided assistance in completing the application if such help is requested.

#### DISTINCTION BETWEEN AN INQUIRY AND AN APPLICATION

An *inquiry* is when an individual inquires about the program and does not submit a signed application to be evaluated for eligibility. An application not signed by the client or authorized representative is an inquiry only and must be returned for signature. The inquiry must not be entered in the computer system.

An *application* for subsidy benefits is made when an individual completes, signs, and submits an Application for Child Care Assistance to a Child Care office.

### 112.1 Signature Validation

An application (electronic, faxed, or paper) with the original signature of the applicant or authorized representative is required. The following signatures are considered an original signature for applications and all required forms:

- Original signature on a paper application or form submitted directly to the Child Care office either in person, through the mail or in a local office drop box; or
- A signature on a faxed or scanned application or form.

The individual signing the application must be able to be held legally responsible for the statements made on the application. A minor *cannot* sign the application since they *cannot* be held legally responsible.

**Exception:** A minor who has been emancipated (refer to MS 200); or a minor receiving NEON services.

By signing the application, the client is confirming they have provided accurate and truthful information. If it is discovered the client has provided misleading or inaccurate information, the case manager must evaluate the case for an Intentional Program Violation (IPV). Refer to MS 700 for further information on IPVs.

All signed applications and associated verification must be kept in the eligibility case file and documented in the computer system.

### 113 New Applications

A new application is defined as an application filed by the household when subsidy benefits are not currently being received. The application date is the day the office receives the Child Care Application for Assistance, which contains the client's name, address, and appropriate signature. If a two-parent household is applying and only one of the adults has signed the application, a Request for Information form must be given/sent to the household requesting the other parent sign copies of the Application, Parent Service Agreement, and Program Penalties forms. The original forms must stay in the case file. If all other eligibility requirements are met, subsidy may begin effective the application date once the requested information is submitted.

Individuals who are applying for NEON funded subsidy, and not currently receiving child care assistance, are required to complete an application. Once an application for NEON funded subsidy is on file, a new application is not necessary as long as there has not been a break in TANF eligibility. NEON child care eligibility is based on a DWSS NEON Referral; see MS 116.1 for more information.

**Note:** The following new applications must be processed as a reapplication or a reinstatement depending on the circumstances:

- A NEON household who applies within 30 days of their NEON/TANF grant ending (due to no fault of their own).

- A minor parent who transitions from a minor group set on a major parent's case to their own case due to no longer being considered a minor (emancipation or turning 18 years of age). Refer to MS 200 for additional information on minor parents.

## 114 Reapplications

Reapplications for subsidy benefits are made in the same manner as initial applications. Previous records and eligibility factors must be thoroughly reviewed/verified. Refer to MS 500 for reapplication processing.

## 115 Reinstatements

Reinstatements are cases restored for service so there is not a lapse in coverage. A denied application may also be reinstated to a pending status or reinstated for approval within 30 days of the application received date stamp.

### Exceptions:

- Benefits restored due to a decision by the DWSS Hearing Officer; refer to MS 500 for additional information.
- Benefits continued from a request for a hearing; refer to MS 500 for additional information.

Reinstatement of a denied application or terminated case will be evaluated on a case by case basis. Staff has the flexibility to reinstate an application in lieu of having the client reapply if there are extenuating circumstances or good cause for reinstatement. Case managers should determine if reinstatement is appropriate and provide all applicable verification to supervisory staff for review and decision. The supervisor's decision as well as any information/verification used to make the decision will be documented and maintained in the case file as well as a case note in the computer system.

## 116 Referrals

Subsidy benefits may be requested based on a written referral from another agency; however, a completed Application for Child Care Assistance is required prior to the issuance of benefits. The referral must be kept in the eligibility case file and documented in the computer system.

Possible agencies that may refer clients are (not all inclusive):

- Division of Welfare and Supportive Services (DWSS)
- Washoe County Social Services (WCSS)
- Clark County Social Services (CCSS)
- Employment Security Division (ESD)
- Division of Child and Family Services (DCFS)
- Child Protective Services (CPS)
- Tribal Social Services (e.g. court or victim services)
- Non-profit social service agencies (e.g., homeless shelters)

**116.1 DWSS NEON Referrals**

NEON Child Care referrals from DWSS staff must be submitted on NEON Child Care Referral, Form 2728-WA.

Within 1 business day of receiving a complete NEON Child Care Referral, the case manager must initiate contact with the client to make arrangements for issuing a Certificate.

The referral is considered complete when it includes the following:

- The date of issuance; and
- Client's name, Unique Person Identifier (UPI), and/or DWSS case number; and
- The reason child care services are being requested (NEON pre-eligibility work activities, NEON work activities or Temporary Program activities); and
- Household details (one or two parent household); and
- The start and end dates when services are needed; and
- The schedule for the assigned NEON activity; and
- If applicable, the type of income DWSS has on file for the client and/or other household members; and
- The DWSS case manager's name, phone number, and email address.

If a referral lacks the information necessary to complete a certificate, child care staff must contact the DWSS case manager for completion.

A NEON referral may be rejected as listed below. Notification of the rejection will be sent to the household and the appropriate DWSS case manager. A copy of the rejection notification will be maintained in the case file and the reason the referral was rejected documented in the computer system.

For a household not receiving child care assistance:

- A request to submit an Application for Child Care Assistance, form is sent and the form is not received within 10 days of the request.  
**Note:** This is only required if there is not already a completed child care application on file
- A request to child care case manager is issued or an appointment has been scheduled and the household fails to contact the case manager/office within time frame of the request.

For households receiving child care assistance:

- A review of NOMADS determines the household is not eligible for NEON/TANF

A NEON referral will be denied if the household submits an Application for Child Care Assistance but fails to provide required verification. Identification for the client (if identification has not previously been verified) and the provider selected are the only required verifications for a NEON/TANF household. A copy of the Notice of Action

(NOA), Form 2158 – WC will be sent to the household and the appropriate DWSS case manager.

Within 30 days of the NEON referral issuance, if all other criteria is met a rejected or denied referral may be approved/reinstated.

If a NEON referral is received for only one parent/caretaker of a two parent/caretaker household (e.g., 2<sup>nd</sup> parent is disabled or an ineligible non-citizen), the case manager will contact DWSS staff to ensure child care services are needed for the two parent household. If the second parent/caretaker has a purpose or care, contact the household to obtain the second parent/caretaker's schedule. Do not delay or deny child care services while trying to obtain the clarification/verification. If/when clarification/verification is received, update the cases appropriately and case note.

**Note:** A stepparent is a required household member for child care and therefore must have a purpose of care or be physically or mentally unable to care for the child(ren) in order for the household to be eligible for child care services.

If a physical or mental disability does prevent the stepparent from caring for the child(ren), this must be verified by the DWSS case manager and documented in the Household Details section of the NEON Child Care Referral 2728-WA.

A NEON referral received for a minor parent which does not include a referral for the major parent(s) must be served without obtaining additional information on the major parent(s). This includes requiring the major parent to sign required forms (e.g., child care application, rights and responsibilities or service agreement). The minor parent can complete all required forms.

If a referral is received after the issuance date, NEON subsidy benefits can be approved back to the referral issuance date without prior approval from the CCDP Chief. However, if the child care start date is prior to the referral issuance date, the case manager must notify the DWSS case manager; services can only be provided from the referral issuance date forward. If services are required prior to the referral issuance date, DWSS child care staff must request approval for this time period through the CCDP Chief.

If the referral issuance date is greater than 14 calendar days from the date of the interview/contact with the case manager, the case manager must contact the DWSS case manager to ensure the referral information is valid prior to approving the benefits.

Once a completed NEON referral is received, the case manager must not re-verify the non-financial and income elements of eligibility. If the client provides additional information which does not match the NEON referral, the case manager must refer the client to their DWSS case manager to report the changes and contact the DWSS case manager regarding the conflicting information. However the referral must still be acted on and the certificate issued within the appropriate time frames.

Child Care staff will not be held responsible if benefits are provided based upon a valid referral from DWSS staff and it is discovered that the household does not meet the program eligibility criteria. Refer to MS 400 for additional criteria for NEON cases.

## 120 INTERVIEW PROCESS

### 121 Interview Sites

Eligibility can be determined by either a face-to-face interview with the client/representative, through the mail, or by telephone. If an interview is done through the mail or over the phone, necessary documents must be sent to the client for their signature.

#### 121.1 Interpreter Services

DWSS can assist in providing interpretive services for both foreign and sign languages. If it is identified or if the staff have any reason to believe that a person or companion is deaf or hard of hearing, they must be advised that appropriate auxiliary aids and services, such as sign language and oral interpreters, TTYs, note takers, written materials, assistive listening devices and systems, and telephones compatible with hearing aids, will be provided free of charge. The case manager must ensure that such aids and services are provided when appropriate.

DWSS interpretative services policy is located in section 1460 of the DWSS Eligibility and Payments Manual; [https://dwss.nv.gov/pdf/EP\\_Man\\_B-1400.pdf](https://dwss.nv.gov/pdf/EP_Man_B-1400.pdf).

### 122 Authorized Representatives

The use of an authorized representative (AR) is allowable when:

- The head of household's participation is limited because of their incapacity, incompetence or when they request someone act on their behalf; or
- The child attends a before and/or after school program and a parent/caretaker may be unavailable to sign the child in/out.

There are two (2) types of ARs called primary and secondary representatives.

- A primary AR receives all requests for information along with any attachments plus all notices. They hold the same responsibility as the client in securing information for determining eligibility, reporting responsibilities and they are the only one authorized to sign on behalf of the client. Primary representatives have the same access to case information as the client.

**Note:** There can only be one active primary AR on the case at any given time.

- A secondary AR is for before/after school providers and they have limited responsibilities which are designated by the client. The secondary AR is not responsible for securing or reporting information, however, if they choose, they may secure and report information to the Child Care office. The secondary AR does not have the same access to case information as the client. A before/after school provider can be designated as a secondary AR to sign and date an attendance record.

To designate an AR, the client and AR must complete the Designation of Authorized Representative, Form 2163-WC. The form must include the name, address and phone number of the person chosen as the AR and both the client and the AR must sign and date the form before the request can be processed. With each subsequent application, the designation of the AR is required. The original signed document must be kept in the eligibility case file and a copy provided to the client and AR. If the household member is physically or mentally incapable of signing their name, someone other than the AR must witness their mark.

To qualify as an AR, the individual must be:

- 18 years of age or older, and
- Designated by the client; and
- Not providing child care services to the household with the exception of a before/after school provider. Refer to secondary AR section above.

**Note:** If the individual is a DWSS or Child Care employee, they must be related by blood or marriage to the client/participant to be the AR. In addition, if the AR is a Child Care employee, the AR must declare the relationship to management staff immediately and the individual must not be allowed access to the client/participant's files (e.g., case file locked up, etc.).

### **122.1 Abuse by an Authorized Representative**

Authorized representatives may be disqualified from representing a household in the program if evidence is obtained that the AR has misrepresented a household's circumstances and/or has knowingly provided false information pertaining to the household. In addition, the client and/or AR may be liable for any overpayment resulting from inaccurate information provided by the AR.

### **123 Required Forms at Application**

The following forms are required to be completed at each application unless the household has received a NEON funded subsidy. The original forms, signed and dated by the client, must be received prior to the authorization of subsidy benefits. Electronically transmitted (fax or email) signed forms are acceptable. Refer to MS 500 for additional information regarding NEON funded subsidy reapplications.

#### **123.1 Rights and Responsibilities/Service Agreement**

The Service Agreement outlines the rights and responsibilities of the client/AR, the provider, and child care staff in reference to the Child Care Program. Clients and/or ARs must sign and date the Service Agreement prior to subsidy benefits being approved. A new form must be reviewed and signed/dated at each application. The original signed document must be kept in the eligibility case file and a copy provided to the client/representative.

### 123.2 Program Penalties

Program Penalties, Form 2165-WC, gives detailed information about changes the household must report during the certification period and the repercussions for failing to report such changes. It also gives information regarding the penalties for making false or misleading statements or concealing/withholding facts to establish or maintain program eligibility.

Clients and/or authorized representatives must read, initial, sign and date the Program Penalties Form prior to subsidy benefits being approved. A new form must be reviewed and signed/dated at each application. The original signed document must be kept in the eligibility case file and a copy provided to the client/representative.

### 123.3 Appeal Process

Clients and/or their authorized representatives have the right to a hearing if they are not satisfied with an action taken by the Child Care Program that affects their subsidy benefits; this includes the assessment of an overpayment. Appeal Process, Form 2161-WC, gives information about the procedures for requesting an appeal.

This form must be provided to the client and/or authorized representative at each application. Refer to MS 550 for further information on the appeal process.

### 123.4 Voter Registration Application

Ensure the client has been informed that by completing the voter registration section of the application or declining to register:

- Will not affect eligibility or benefit amounts
- The decision is confidential and used only for voter registration purposes;
- A complaint can be filed with the Secretary of State, Capitol Complex, Carson City, Nevada 89710, if they believe someone interfered with their right to:
  - Register or decline to register to vote; or
  - Privacy in deciding whether to register or apply to register to vote

If the household member answers “Yes”, provide a Voter Registration Application and explain:

- Assistance, on request, will be provided in completing the voter registration application form;
- The registration application may be completed in private and mailed at their convenience;
- Information regarding the office where the form originated will remain confidential and will not be used for voter registration purposes.

If the household member answers “No”, request they sign and date the form indicating their declination. If there is no response on the form, it is not treated as a declination. A voter registration application must be provided to the applicant.

If the individual completing the interview is an AR, request the AR give the head of household the Voter Registration Application form. Document the form was provided to the AR.

Do not pend the case or delay benefits for completion of the voter registration section. This section is not an eligibility requirement.

**Note:** See MS 800 for voter registration requirements for Delegate Agencies.

### 130 ELIGIBILITY FACTORS

At each application, the following eligibility factors must be evaluated and, as applicable, verified prior to the approval of subsidy benefits. For detailed information regarding these elements, refer to MS 200 and 300.

- |                  |                   |                         |
|------------------|-------------------|-------------------------|
| • Identification | • Relationship    | • Household Composition |
| • Age            | • Custody         | • Homeless Status       |
| • SSN            | • Special Needs   | • Residency             |
| • Citizenship    | • Purpose of Care | • Income & Assets       |

### 131 Verification

Verification is the actual proof of certain eligibility or case management factors, such as the age of the child or income and is required to approve initial or continue ongoing benefits. When verification is not available to the case manager through an electronic source or collateral contact, households are responsible for furnishing verification. Case managers must provide the household with a Request for Information Form giving them at least 10 calendar days to provide the needed verification. Refer to MS 133 for more information regarding pending information.

Verification of all eligibility requirements must be done prior to authorization and issuance of benefits.

**Exception:** Households who meet the definition of “homeless” will be allowed up to 90 days to provide verifications that are not readily available or easily obtainable.

For the verification to be acceptable, it must be “current” which is defined as being issued within the previous 30 calendar days from application date stamp. The 30-day period begins the day prior to the application date extending back 30 calendar days.

**Exception:** For income verification it may be necessary to evaluate income received more than 30 days prior to the application date. See MS 390 for more information on income budgeting procedures.

### 131.1 Types of Verification

- **Primary Source – Hard Copy**  
This type of verification occurs when the case manager actually makes copies or receives copies of the document(s) the client provides. This includes, but is not limited to, pay check stubs, rent receipt, utility bills, birth certificates, Social Security cards, driver's license, NOMADS printouts, etc. The primary source of verification is able to stand solely on its own. This also includes forms (i.e., 2186-WC, Employment Verification, etc.) which verify any eligibility factor.
- **Secondary Source – Collateral Contacts**  
These contacts are made by telephone to landlords, employers, utility companies, Social Security Administration, etc., to verify information necessary to make an eligibility determination. The case manager should try to make these types of telephone calls when the client is present, if possible, although it is not necessary.  
**Note:** The results of all collateral contacts and other verifications must be documented and must always contain the name and telephone number of the person the case manager spoke to and the date the contact was made. Any other identifying information such as company, agency, person's title, etc. should also be included.
- **Visually Viewed**  
Any document that cannot be copied (i.e., naturalization document) must be documented in the computer system. In addition, if a NOMADS screen is viewed to verify any eligibility factor, it must be documented in the computer system which screen was used to verify that eligibility factor.  
**Note:** Verification of income, if in NOMADS, *cannot just* be viewed. It must be copied and included in the case file.

Documentation requirements must include the following pertinent information, as applicable:

- Name(s)
  - Document type(s)
  - Date(s)
  - Document/Certificate and/or registration number (if applicable)
  - Dollar amount(s) (if applicable)
  - Date the verification was viewed
  - The worker's signature and title
- **Other Verification – Client Statement/Self-Declaration**  
This type of verification can only be used when all avenues of hardcopy or collateral contacts have been exhausted or there is undue hardship to the client if they are required to pursue obtaining certain verifications. Acceptance of this type of verification must be fully justified and the case manager must document in the computer system the reason why they have accepted a client's statement.

A client statement or the signed application may be used for proof of income when the client does odd jobs from various sources and cannot obtain verification or if the third party who is required to complete a form or statement on

behalf of the client refuses to do so (this is known as third party non-coop). If the application is used, it must be signed within the previous thirty (30) days and give enough information to accurately project the household's ongoing countable income.

The client's statement must not be used to verify identity, citizenship, disability, age if under 19, SSN (when there is a discrepancy) or any information which is questionable.

## **131.2 Verification Responsibilities**

### **131.2.1 Household**

Clients are responsible for furnishing verification or collateral evidence needed for proof of their circumstances. If verification is not available or not sufficient, the household must designate an alternate source for the information. The case manager must assist in obtaining verification when a household is cooperating but is unable to provide required information.

#### **131.2.2 Case Manager**

Case managers are responsible for verifying information required for child care subsidy. When verifying information, follow these guidelines:

- Verify elements of eligibility and other household circumstances that impact eligibility and benefit amount/level which are unverified and required;
- Do not re-verify eligibility factors that were previously verified and are not subject to change if previous verification is available in the local office. (Example: relationship, birth proof/citizenship, and deprivation due to death, or any other verification which is maintained in the permanent section);
- Do not ask a client to provide additional proof if verification is available through inquiry systems or interfaces (e.g., NOMADS, CSEP, ESD, DMV&PS Internet), or the client indicates the information is readily available in the local office files (active, denied or closed cases including other program areas), and the information is sufficient to establish current eligibility;
- Determine what types of verifications are readily available to the household and request them first if you anticipate them to be sufficient proof. If preferred sources of verification are not readily available, alternate sources of verification must be accepted if they are reliable and provide sufficient proof;
- Evaluate the verification the household provides and determine if it is reliable and sufficient to decide eligibility and benefit amount/level. If a source of verification is unreliable, suggest a reasonable alternative or request the client to designate another collateral source;
- Do not deny, terminate or delay benefits if the household has tried all avenues to provide the requested verification or if a third party collateral source refuses to provide verification and there is no reasonable alternate verification available. The clients statement can be accepted in this type of circumstances, however all efforts made by the client or the third party non- cooperation must be documented in the computer system.

### 131.3 Evaluating Verification

As the case manager obtains verification, they must evaluate it to ensure it:

- Meets the verification requirements for the program element; and
- Does not conflict with other verification, or that the conflicts are resolved and documented; and
- Proves (either by itself or in combination with other verification) the facts being verified; and
- Establishes the program element for the appropriate benefits and corresponding budget month.

### 131.4 Questionable Information

When information is received that is questionable or conflicts with information already in the file or information from another source contradicts statements made by the household, the case manager must attempt to resolve the issue prior to approving eligibility. The household must be provided an opportunity to resolve any discrepancy by providing proof or designating a suitable collateral source. The case manager must include case notes in the computer system regarding the clarification received.

### 132 Incoming Information

All information signed and/or received from the client or third-party must be date-stamped with the date the Child Care office received the documentation.

### 133 Pending Information

Benefits must not be approved if information required for the eligibility determination has not been received. Therefore, if all required proof cannot be furnished during the interview, the case manager must give the client a Request for Information (RFI) explaining what is needed, the date the information is due and the date the application will be denied/terminated if the information is not received. A copy of this form must be kept in the client's eligibility case file even after the return of the requested information.

The household must be allowed at least 10 calendar days to provide requested information. The day after the request date is the first day of the 10-day period. When the due date falls on a weekend or holiday, the due date is the next working day. When a household or individual is attempting, but is unable to provide the information by the date specified in writing, the due date can be extended to allow time for the additional information as long as the contact is made prior to the expiration date of the RFI. The case manager must document the new due date and the reason for the extension in the case notes.

#### Exceptions:

- Victims of Domestic Violence approved for a fictitious address through the Secretary of State's CAP program must be allowed 20 calendar days to

provide verifications due to mail forwarding. Refer to MS 200 for additional information on CAP.

- Homeless households who are attempting but unable to provide verification to establish eligibility will be allowed one 90 day period to comply with verification requirements.

If all required information is provided, the client is notified in writing of the eligibility results. Refer to MS 140 for additional information on the disposition of application.)

If all required information is not provided or postmarked within the requested time period, the case manager must deny the application immediately (additional notice is not required). Refer to MS 500 for information on pending verifications on reported changes after the case is approved.

**Note:** Third party non-cooperation *cannot* cause the household to be ineligible.

## 140 DISPOSITION OF APPLICATION

An eligibility decision must be made as quickly as possible but no later than 30 calendar days after a completed and signed application is received in the Child Care office. The day after the date the application is received in the office is the first day of the 30-day period.

**Exception:** The case manager determines there are extenuating circumstances which necessitate the eligibility decision exceeding the 30 calendar day period. The reason must be documented in the computer system.

**Example:** Client reschedules an interview and at the interview additional verification is required which when allowing the 10 days would take the decision date past the 30 day calendar period.

## 141 Notice of Action to the Client

At the end of the interview/evaluation, the case status is pending, denied, or approved. Any time benefits are approved, denied, increased, or reduced, a Notice of Action/Notice of Appeal, Form 2158-WC, must be provided to the household. The Notice of Action explains their eligibility status and the reason for the decision and the Notice of Appeal allows the household the opportunity to appeal any negative decision made by the Child Care office. Refer to MS 550 for details regarding the appeal.

## 143 Denied Application

Benefits are denied immediately when:

- Ineligibility is established; or
- The client/representative fails to provide information essential to determine eligibility within the requested time period; or
- The client/representative voluntarily withdraws their request for assistance.

If the household is denied, the client must receive a Notice of Action/Notice of Appeal explaining the reason for denial.

## 144 Approved Application

Benefits are approved when all eligibility requirements are met. At the time the client is determined to be eligible for subsidy benefits, they must be issued a separate Certificate for each eligible child and a Notice of Action/Notice of Appeal. Refer to MS 162 for information on approved applications.

The Certificate must include the following:

- The date subsidy benefits begin and end; and
- The subsidy percentage the Child Care Program will pay; and
- The daily reimbursement rate the Child Care Program will pay; and
- The name of the eligible child; and
- The name and physical address of the provider who will care for the approved child; and
- The authorized schedule of attendance for the child; and
- The amount of time the child is authorized to attend on a daily basis (i.e., FT, PT).

### 144.1 Certificate Distribution

The original signed Certificate(s) must be kept in the eligibility case file. Copies must be provided to:

- The client/representative, and
- The provider.

## 145 Selection of a Child Care Provider

It is the parent's/caretaker's responsibility to select a child care provider. Child care staff may assist in providing the parent/caretaker with information about local child care providers; however, they must not recommend or endorse any program or service. Families are encouraged to visit and interview several programs prior to making a final decision. Refer to MS 600 for additional provider information.

### 145.1 NEON Clients Unable to Find Suitable Child Care

45 Code of Federal Regulations (CFR) Part 98.33 (b) requires the Child Care Program to inform parents who receive NEON/TANF that if a single custodial parent of a child less than 6 years of age cannot find suitable child care, based on the definitions provided in the DWSS TANF State Plan, DWSS staff may make an exception to the work requirements. The parent must provide proof to substantiate the claim of unsuitable child care. The Child Care case manager must complete Work Requirement Exception, Form 2153-WC, and send it along with the verification provided by the parent to the appropriate NEON staff for a decision.

**DEFINITIONS from the DWSS TANF State Plan**

- Appropriate Child Care - Child care chosen by the parent offering developmentally appropriate practices which meet the needs of the parent and child.
- Reasonable Distance - A parent should not have to travel more than sixty (60) minutes to drop off their child at the care provider location and sixty (60) minutes to pick up their child.
- Unsuitability of Informal Care - Informal child care is unsuitable if it is not being provided legally, or does not meet basic health and safety standards as outlined in the Child Care State Plan.

**Note:** Legal child care is defined as licensed care, if required by state/county/city law. If licensing is not required by law, the provider must be registered with the Child Care Program.

Informal child care is unsuitable if circumstances exist that may cause possible abuse, neglect or harm to children as outlined in city, county and/or state statutes.

Informal child care is unsuitable if the arrangements do not support the working schedule of a parent, are not affordable, are not easily accessible, or do not meet quality standards as defined by the parent.

- Affordable Child Care Arrangements - Affordable child care is child care that does not exceed 10 to 15% of the parent's gross income.

**150 COOPERATION****151 Cooperation with Child Care Program Requirements**

The household is required to cooperate with the CCDP in securing all information needed to determine initial or continuing eligibility. Failure to do so results in ineligibility for the entire child care household. The case manager may assist in obtaining verification when a household is cooperating but is unable to provide the required verification.

If a third party refuses to supply information without an individual's permission, the signature page of the most recent application may be used as an authorization to release information. To protect the household's privacy, the case manager must not copy the top portion of the application where the client reports income, education or provider information.

**152 Cooperation with DWSS and/or CCDP**

A case may be selected to review the accuracy of subsidy benefits paid or authorized. Clients are required to cooperate with the review process. Failure to cooperate may result in ineligibility until compliance. If the client fails to cooperate with DWSS, DWSS will notify the appropriate Child Care office in writing of non-cooperation and child care staff will terminate assistance immediately, allowing for advance notice of the adverse action. Refer to MS 502 regarding advance notice of adverse action. If the household

contacts the Child Care office during the ineligible period wishing to cooperate, the child care staff must advise the client to contact the applicable DWSS Unit responsible for reviewing the case (e.g., I&R or Quality Control).

Program eligibility will not be restored until DWSS reports client compliance to the Child Care office.

**Note:** Refer to MS 600 for provider cooperation requirements with DWSS.

## 160 APPROVING CHILD CARE SUBSIDY BENEFITS

### 162 Required Information at Approval

At each approval (new or reapplication), the case manager must ensure the following:

- The original application form is complete and signed by the client (by both parents in a 2-parent household); and
- The client has read and signed the Service Agreement explaining their rights and responsibilities (by both parents in a 2-parent household); and
- The client has read and signed the Program Penalties form, which explains their reporting responsibilities and the penalties for Intentional Program Violations (by both parents in a 2-parent household); and
- All required verification according to policy is in the eligibility case file and date stamped with the date it was received by the Child Care office; and
- The authorized representative has been re-established, if applicable; and
- The client has been issued a copy of the Certificate; and
- The client has been issued the Notice of Action/Notice of Appeal, Form 2158-WC.

### 163 Authorization of Subsidy Benefits

Before the Certificate is issued, child care staff must ensure funds are available to reimburse the child care provider for services rendered in accordance with the Certificate. Refer to MS 103 for additional information on wait list.

All Certificates must be issued from the computer system; however, in the event it cannot be accomplished at the time of the decision, a handwritten Certificate may be issued for the current month only. Within 5 calendar days after issuing a handwritten Certificate, the information must be entered in the computer system and an automated Certificate must be generated for the certification period and issued to the client and provider.

**Exception:** If there is a system issue which takes longer than 5 calendar days to resolve, this must be documented in a case note. Once the system issue is resolved, child care staff has 5 calendar days from date of system resolution notification to update the case and issue an automated Certificate.

## 164 Subsidy Amount

Parents/caretakers are required to participate in the cost of their child care services. The co-payment amount is determined by the household size and countable income as detailed in MS 170. The household must pay a minimum 5% co-payment, unless the:

- Household has applied for or is receiving TANF and a NEON Child Care Referral has been received from DWSS; or
- Household has a child placed with their home by a child protective agency. This is evaluated on a case-by-case basis and applies to both foster and CPS placement; or
- Household is considered homeless. Refer to MS 200 for the definition of homeless; or
- Child is receiving Wraparound Services.

**Note:** If the household meets one of the above exceptions and they have been found guilty of committing an Intentional Program Violation (IPV), they are subject to the applicable IPV penalty and are required to make the applicable co-payment.

## 165 Effective Dates of Subsidy Benefits

The effective date of child care benefits is the day the application was received and date stamped in the Child Care office unless:

- The child(ren) is eligible for Contracted Slot or Wraparound Services. Refer to MS 800 for detailed information about Contracted Slots and Wraparound Services.
- The household has a NEON referral. The effective date of the certificate must be the date requested on the NEON referral as long as it is not prior to the NEON referral issuance date. Refer to MS 106.1 for additional information on effective dates for NEON referrals.
- The effective date of the certificate can be back-dated to the date of the placement of the child(ren) in the Foster or CPS household as long as the application is received within 14 calendar days of the placement.

**Note:** If the application is greater than 14 calendar days of the placement in the Foster/CPS household, a special consideration request must be sent to the CCDP chief for approval.

If the certification period does not begin with the application date, the reason for the discrepancy must be documented in the computer system case notes.

**Note:** When an appeal or hearing determines benefits were improperly denied or discontinued, corrective measures must be made to ensure the case is reinstated back to the original date of eligibility and the appropriate payments are made to the provider(s) or client.

## 166 Length of Certification

The certification period for all households must be 365 days unless they meet one of the exceptions listed below:

- The client is receiving subsidy based upon a NEON referral. These clients must be approved for benefits based on the dates listed on the NEON referral. Refer to MS 116.1 and 410 for additional information on NEON cases.
 

**Note:** If the certificate period is less than the recommended period on the NEON referral, the case manager must notify the DWSS case manager of the approved end date. This can be done by providing a copy of the certificate to the DWSS case manager or notifying them by email.
- The only eligible child will be turning 13 (or 19 if verified to have a special need). The day they turn 13 (or 19 if verified to have a special need), they are ineligible for benefits and the certificate must end. Refer to MS 200 for age requirements.
- The household requests a shorter certificate period or they indicate they will no longer qualify for benefits (e.g., only eligible child is in the home for less than 12 months or household is moving to another state). The case manager must document in the case notes the reason for a certification period less than 12 months.
- Wraparound cases can be approved for up to 3 years. Refer to MS 800 for additional information on Wraparound cases.

## 170 INCOME LIMITS AND SUBSIDY PERCENTAGES

Each year the Federal Department of Health and Human Services publishes the federal poverty level and the State's median income. These figures are used to update Nevada's Sliding Fee Scale annually with an effective date of October 1<sup>st</sup>.

To determine the level of benefits a household is eligible for, the case manager must first determine the household size and the countable income. Under each household size heading (in gray) on the Sliding Fee Scale Chart, the applicable income range is listed. On the far right of the table is the percentage of child care benefits CCDP will pay on the client's behalf.

All households are required to participate in the cost of their child care and may qualify for a maximum of 95% subsidy with the exception of NEON, Foster/CPS, Wraparound, and homeless households who may have their co-payment waived and subsidy paid at 100%.

The bold figure indicates 130% of poverty and the following codes are used in the chart:

Poverty Level = (P)                      85% of Nevada's median income = \*

**Sliding Fee Scale**

STATE OF NEVADA									
CHILD CARE & DEVELOPMENT PROGRAM									
HOUSEHOLD SIZE & MONTHLY INCOME CHART									
Effective October 1, 2015									
ONE			TWO			THREE			Subsidy %
\$ -	-	\$ 981 (P)	\$ -	-	\$ 1,328 (P)	\$ -	-	\$ 1,675 (P)	95%
\$ 982	-	\$ 1,165	\$ 1,329	-	\$ 1,563	\$ 1,676	-	\$ 1,961	90%
\$ 1,166	<b>1,276</b>	\$ 1,350	\$ 1,564	<b>1,726</b>	\$ 1,798	\$ 1,962	<b>2,177</b>	\$ 2,247	80%
\$ 1,351	-	\$ 1,534	\$ 1,799	-	\$ 2,033	\$ 2,248	-	\$ 2,533	70%
\$ 1,535	-	\$ 1,718	\$ 2,034	-	\$ 2,269	\$ 2,534	-	\$ 2,819	60%
\$ 1,719	-	\$ 1,903	\$ 2,270	-	\$ 2,504	\$ 2,820	-	\$ 3,105	50%
\$ 1,904	-	\$ 2,087	\$ 2,505	-	\$ 2,739	\$ 3,106	-	\$ 3,391	40%
\$ 2,088	-	\$ 2,272	\$ 2,740	-	\$ 2,974	\$ 3,392	-	\$ 3,677	30%
\$ 2,273	-	\$ 2,448 *	\$ 2,975	-	\$ 3,201 *	\$ 3,678	-	\$ 3,954 *	20%
\$ 2,449	+		\$ 3,202	+		\$ 3,955	+		0%
FOUR			FIVE			SIX			Subsidy %
\$ -	-	\$ 2,021 (P)	\$ -	-	\$ 2,368 (P)	\$ -	-	\$ 2,715 (P)	95%
\$ 2,022	-	\$ 2,358	\$ 2,369	-	\$ 2,756	\$ 2,716	-	\$ 3,153	90%
\$ 2,359	<b>2,628</b>	\$ 2,695	\$ 2,757	<b>3,078</b>	\$ 3,143	\$ 3,154	<b>3,529</b>	\$ 3,592	80%
\$ 2,696	-	\$ 3,031	\$ 3,144	-	\$ 3,531	\$ 3,593	-	\$ 4,030	70%
\$ 3,032	-	\$ 3,368	\$ 3,532	-	\$ 3,918	\$ 4,031	-	\$ 4,469	60%
\$ 3,369	-	\$ 3,705	\$ 3,919	-	\$ 4,306	\$ 4,470	-	\$ 4,907	50%
\$ 3,706	-	\$ 4,042	\$ 4,307	-	\$ 4,694	\$ 4,908	-	\$ 5,345	40%
\$ 4,043	-	\$ 4,379	\$ 4,695	-	\$ 5,081	\$ 5,346	-	\$ 5,784	30%
\$ 4,380	-	\$ 4,708 *	\$ 5,082	-	\$ 5,461 *	\$ 5,785	-	\$ 6,214 *	20%
\$ 4,709	+		\$ 5,462	+		\$ 6,215	+		0%
SEVEN			EIGHT			NINE			Subsidy %
\$ -	-	\$ 3,061 (P)	\$ -	-	\$ 3,408 (P)	\$ -	-	\$ 3,755 (P)	95%
\$ 3,062	-	\$ 3,474	\$ 3,409	-	\$ 3,795	\$ 3,756	-	\$ 4,116	90%
\$ 3,475	-	\$ 3,887	\$ 3,796	-	\$ 4,182	\$ 4,117	-	\$ 4,478	80%
\$ 3,888	<b>3,980</b>	\$ 4,299	\$ 4,183	<b>4,430</b>	\$ 4,569	\$ 4,479	-	\$ 4,839	70%
\$ 4,300	-	\$ 4,712	\$ 4,570	-	\$ 4,956	\$ 4,840	<b>4,881</b>	\$ 5,200	60%
\$ 4,713	-	\$ 5,125	\$ 4,957	-	\$ 5,343	\$ 5,201	-	\$ 5,562	50%
\$ 5,126	-	\$ 5,538	\$ 5,344	-	\$ 5,730	\$ 5,563	-	\$ 5,923	40%
\$ 5,539	-	\$ 5,951	\$ 5,731	-	\$ 6,117	\$ 5,924	-	\$ 6,284	30%
\$ 5,952	-	\$ 6,355 *	\$ 6,118	-	\$ 6,497 *	\$ 6,285	-	\$ 6,638 *	20%
\$ 6,356	+		\$ 6,498	+		\$ 6,639	+		0%
TEN			ELEVEN			TWELVE			Subsidy %
\$ -	-	\$ 4,102 (P)	\$ -	-	\$ 4,449 (P)	\$ -	-	\$ 4,796 (P)	95%
\$ 4,103	-	\$ 4,438	\$ 4,450	-	\$ 4,759	\$ 4,797	-	\$ 5,080	90%
\$ 4,439	-	\$ 4,773	\$ 4,760	-	\$ 5,069	\$ 5,081	-	\$ 5,364	80%
\$ 4,774	-	\$ 5,109	\$ 5,070	-	\$ 5,379	\$ 5,365	-	\$ 5,649	70%
\$ 5,110	<b>5,332</b>	\$ 5,445	\$ 5,380	-	\$ 5,689	\$ 5,650	-	\$ 5,933	60%
\$ 5,446	-	\$ 5,780	\$ 5,690	<b>5,783</b>	\$ 5,999	\$ 5,934	-	\$ 6,217	50%
\$ 5,781	-	\$ 6,116	\$ 6,000	-	\$ 6,308	\$ 6,218	<b>6,234</b>	\$ 6,501	40%
\$ 6,117	-	\$ 6,451	\$ 6,309	-	\$ 6,618	\$ 6,502	-	\$ 6,785	30%
\$ 6,452	-	\$ 6,779 *	\$ 6,619	-	\$ 6,920 *	\$ 6,786	-	\$ 7,061 *	20%
\$ 6,780	+		\$ 6,921	+		\$ 7,062	+		0%

All households are required to participate in the cost of their child care and may qualify for a maximum of 95% subsidy with the exception of NEON, Foster/CPS, Wraparound, and homeless households who may have their co-payment waived and subsidy paid at 100%.

(P) Indicates 100% of federal poverty level.  
 \* Indicates that the figure to the left is 85% of Nevada's median income.

**Bold figures in center indicate 130% of Federal poverty level and is the cut-off between At-Risk and Discretionary Funding**

## 180 CO-PAYMENTS

### 181 Co-Payment Requirements

Clients not receiving a 100% subsidy are required to participate in the cost of their child care by making co-payments to the provider. The household's co-payment amount is determined based upon their household size and countable income (manual section 170, Income Limits and Subsidy Percentages).

Co-payments may be evaluated and waived by the **CCDP Chief**, on a case-by-case basis, if unusual circumstances exist. The request must be submitted in writing and must detail the circumstances that suggest the co-payment should be waived.

### 182 Verification of Co-Payment

The Child **Care office** must verify clients are current with their required co-payments. Therefore, at least five (5) percent of the caseload must be randomly selected for review by the Child Care office on a monthly basis.

### 183 Failure to Pay Co-Payment

If the client fails to pay or is not current with their co-payments, the client must attempt to obtain a Repayment Agreement with their child care provider. Verification must be provided to the Child Care office within ten (10) calendar days. If the client fails to pay the co-payment in accordance with the provider's payment policy and/or fails to attempt to obtain a Repayment Agreement, benefits may be terminated allowing advance notice of adverse action as described in **MS 500**, unless the client is receiving a NEON funded subsidy. NEON clients must not be terminated.

## 190 CASE NOTES

Case notes tell a story to support the decision made by the case manager. Case notes must be clear, concise, and to the point. There must be enough information so anyone reviewing the case can determine the reason, logic and accuracy of the case manager's decisions/actions. After every contact with the client and/or an action taken on the case, case notes must be made in the computer system.

Examples of actions to be documented in the computer system are (not all inclusive):

- Approval of benefits
- Denial of benefits listing the denial reason
- **Updates** to the case which result in an increase or decrease of benefits
- Termination of benefits listing the reason the case is being terminated
- Changes reported by the client or any other source
- Change in an authorized representative
- Details of conferences and/or hearings results
- Client contacts (concerns or complaints from the client)
- Appointment dates and times scheduled
- Client no-show for appointments

Other information pertaining to the case may also be documented in the case notes as long as it is factual and not the opinion of the case manager. The case manager must document the actual date of the activity within the narrative if it is different than the date of entry.

Information reported by phone must be case noted in the computer system and contain the following information:

- The reported change; and
- The date the change occurred; and
- Who reported the change; and
- The date the change was reported.

Case notes for a change should include the date the change was reported by the client, the date the change affected the case, and the date the action was taken by the case manager.

### **191 “Prudent Person” Principle**

The policies and procedures included in this manual are rules for determining eligibility. It is impossible to foresee and give examples for all situations; therefore, child care staff is encouraged to use reason and apply good judgment in making eligibility decisions. A reasonable decision made based on the best information available using reason and logic, program knowledge, experience, and expertise in a particular situation is referred to as the “prudent person” principle.

The case manager must document in the computer system the rationale used to make the decision and any applicable manual references and policy interpretations. Follow local office procedures for obtaining an interpretation from Child Care Specialists in Central Office, or submit Policy and Procedure Inquiry, Form 6018, requesting clarification or directives, to the CCDP Chief, when it is impossible or inadvisable to follow the prudent person principle because of a lack of information or program knowledge or the existing policy is unclear.

# Non-Financial Factors of Eligibility

## 200 NON-FINANCIAL FACTORS OF ELIGIBILITY

To be eligible for child care subsidy benefits, households must meet each non-financial factor of eligibility (as applicable) detailed in this section.

**Note:** For a foster or CPS child(ren), verification of age, SSN, and citizenship is not required; however, a copy of the placement letter/referral from the social service agency placing the child(ren) in the home is required at initial enrollment for each child.

## 210 AGE

A child must be under the age of thirteen (13) to receive a child care subsidy unless they are verified as a child with a special need; then, they are eligible until the age of nineteen (19). The day the child becomes age 13 (or 19 for a child with a special need) they are ineligible.

### 210.1 Verification

Verification of birth date is required at initial application. Once the birth date has been verified, it no longer needs to be requested with subsequent applications. Possible sources of verification are as follows (not all inclusive):

- Birth Certificate
- Hospital or public health birth record
- Church or Baptismal record
- Bureau of Vital Statistics documents
- Local, state, federal or military record
- Adoption papers or records
- Divorce and/or court custody decrees
- Bureau of Indian Affairs (BIA) or Tribal records
- School records
- Immigration and Naturalization Service records
- Child support paternity records
- Social Security Administration records
- Certificate of Naturalization

**Note:** Copying Certificates of Naturalization is prohibited by law. The case manager must note in the computer system the Certificate number, petition number, personal identifying information, date, and the city where the Certificate was issued.

- U.S. Passport
- PRISM>Person Search/Resolution>Search Results screen printout which has a "Y" in the SSA Verified column.

**Exception:** Households who meet the definition of “homeless” will be allowed up to 90 days to provide verifications that are not readily available or easily obtainable.

## 211 CHILD WITH SPECIAL NEEDS

A special need is defined as a physical or mental condition, which severely limits the child’s ability to care for himself/herself, or an emotional condition that places the child or others at risk.

**Note:** A child who meets the criteria for special needs is no longer eligible for subsidy benefits effective the day of their 19th birthday. No advance notice is required.

Child care supervisory/managerial Child Care staff will determine if a child meets the definition as stated above. Special consideration must be requested to the CCDP DWSS Child Care Chief for those cases where the child’s special needs status is questionable.

### 211.1 Verification

Current verification is only required at initial application; however, if the special need condition is not considered permanent verification is required with each application.

Verification must be in the form of a statement and/or other documentation (e.g., an Individualized Education Program (IEP) or an Individual Family Service Plan (IFSP)) which clearly states the child meets the definition of having a “special need”. The statement must be signed by a physician or other licensed professional authorized to make such assessments.

**Note:** Verification of special needs for children under the age of 13 is not required; however, case managers should ensure that clients complete the special needs section of the application for data collection purposes.

## 212 IDENTIFICATION

All clients, required adult household members, and primary authorized representatives must provide identification at application.

If a social security card is provided, use the household member’s name as listed on the card when entering the case in the computer system. If no social security card is provided, use the household member’s name as provided on the identification verification.

### 212.1 Verification

Verification of identification is required at initial application. Once identification has been verified, it no longer needs to be requested for subsequent applications. Possible sources of verification are as follows (not all inclusive):

- Birth certificate
- Driver's License
- State Identification card
- Hospital or public health birth record
- Military ID (active, retired, reserve, dependent, etc.)
- U.S. Passport or citizen ID card
- Baptismal record
- Adoption papers or records
- Work or School ID card
- Voter Registration card
- Child Welfare records
- Consular identification card
- Printout of NOMADS MEMB screen which lists the individual's name, SSN, date of birth, citizenship status and birthplace.
  - Exception:** NOMADS cannot be used as verification of identity for the adult signing the application.
  - Note:** The printout must verify the individual was eligible for at least one type of assistance (i.e., TANF, SNAP, Medicaid).
- Any other document providing identifying data such as physical description, photograph or signature

**Exception:** Households who meet the definition of "homeless" will be allowed up to 90 days to provide verifications that are not readily available or easily obtainable.

## 213 SOCIAL SECURITY NUMBER

Social Security numbers (SSN) are requested for every household member at the time of application. If the application *does not* contain this information, the case manager must request the client's disclosure via the Request for Information form. If a client fails to provide the SSN(s) when requested, this will be considered a "refusal".

The case manager must not deny/terminate benefits due to client refusal but this must be documented in the computer system.

If a client expresses concern over the use of their SSN, the case manager must inform the client the information will only be used when determining their eligibility, verifying public assistance benefits and for federal reporting purposes.

### 213.1 Verification

If the SSN is provided, verification is required at initial application. Once the SSN has been verified, it no longer needs to be requested with subsequent applications. Possible sources of verification are as follows (not all inclusive):

- Social Security card or check
- Social Security Administration benefit letter
- Pay stub
- PRISM>Person Search/Resolution>Search Results screen printout which

has a "Y" in the SSA Verified column

**Note:** NOMADS cannot be used as verification of social security numbers.

If the client fails to provide verification the case manager must not deny/terminate benefits however other sources of verification should be pursued by the case manager.

**Exception:** Households who meet the definition of "homeless" will be allowed up to 90 days to provide verifications that are not readily available or easily obtainable.

## 214 CITIZENSHIP

To receive subsidy benefits, the **child** must either be a citizen of the United States, or a non-citizen lawfully admitted to the United States. The parent/caretaker's citizenship is not required for the household to be eligible for subsidy benefits.

### 214.1 Definition of Citizenship

For the purposes of qualifying as a U.S. Citizen, the United States is defined as the 50 states and the District of Columbia, Puerto Rico, Guam, U.S. Virgin Islands and the Northern Mariana Islands. In addition, nationals from American Samoa or Swain's Islands are regarded as U.S. Citizens. Children of U.S. citizens born out of the U.S. are considered citizens unless questionable.

### 214.2 Eligible Non-Citizens

An eligible non-citizen is a person who is lawfully admitted based upon sections of the Immigration and Naturalization Act under which they are residing in the United States and provides valid verification as listed in MS 214.3.

### 214.3 Verification

If a child is a citizen, verification is required at initial application. One citizenship status has been verified, it no longer needs to be requested with subsequent applications.

If a child is a non-citizen, check the expiration date on the United States Citizenship and Immigration Service (USCIS) document that verifies that child is a non-citizen. If the child's document has expired, evaluate the reason for the expiration as listed below and request new documentation.

Possible sources of verification are as follows (not all inclusive):

- Birth certificate (U.S. or its possessions)
- Hospital or public health birth record
- Baptismal record with date and place of birth
- U.S. Passport
- Military ID
- Indian census papers

- Naturalization papers  
**Note:** Copying Certificates of Naturalization is prohibited by law. The case manager must note in the computer system the Certificate number, petition number, personal identifying information, date and the city where the Certificate was issued.
- Printout of NOMADS MEMB screen which verifies the child is a citizen and the child is/was eligible for TANF or Medicaid.
- Consular Report of Birth or "Certification of Birth" issued by the U.S. Department of State.
- I-551 (Permanent Resident Card) – Expires ten years from date of issue. At the end of the ten years, the Lawful Permanent Resident (LPR) does not lose his/her status, but must simply renew the card.
- I-94 (Arrival/Departure Record) – The status of non-residents holding these documents must have their status re-verified if expired. This is a temporary document issued while status is pending or the I-551 is issued.
- USCIS documents, USCIS letter, a court order or a passport and other resources.

**Exception:** Households who meet the definition of “homeless” will be allowed up to 90 days to provide verifications that are not readily available or easily obtainable.

## 215 MILITARY STATUS

For data reporting purposes, military status for all required household members must be verified. This includes full-time military status and reserves.

### 215.1 Verification

Client statement of military status is acceptable.

## 216 RELATIONSHIP/HOUSEHOLD COMPOSITION

Relationship must be established for all members of the child care household to determine the appropriate household size and countable income.

### 216.1 Required Household Members

The household must include the following **required household members**, regardless of whom assistance is being requested, when they are living in the same residence:

- The child(ren) for whom assistance is requested; and
- The natural/adoptive parent(s) of the child(ren); and
- The natural/adoptive parent’s domestic partner as defined by Nevada Revised Statute 122A; and
- The stepparent(s) of the child(ren); and
- The natural/adoptive/step dependent siblings of the child(ren) and their sibling’s dependents (niece/nephews), regardless of citizenship status (as long as they are not included in another active child care household); and

**Note:** A natural/adoptive/step dependent sibling is defined as a child 18 years old or younger. The sibling is no longer included as a household member as of their 19<sup>th</sup> birthday.

- Any adult who has guardianship/custody of the child(ren) for whom assistance is requested and the guardian/caretaker's spouse and dependent children. Refer to MS 217 regarding guardianship/custody of children; and
- The non-parent relative caregiver or Kinship Care household, designated by DWSS; and
- The major parent(s) and dependent siblings of the minor parent.

CPS and Foster parents/caretakers, their spouses/domestic partners and children are not included in the CPS/Foster group-set and their income is not included when determining eligibility for CPS/Foster child(ren). If the CPS/Foster parent/guardian is not requesting assistance for their own children, do not request verification for them or enter their information into NCCS. Refer to MS 216.5 regarding group set information.

Refer to manual section 216.5.3, Foster Parent and/or manual section 216.5.4, Child Protective Service (CPS), for information.

The household may not exclude a required member from the assistance unit. If verification necessary to determine eligibility is not provided for a required member, the entire household is ineligible.

## **216.2 Verification of Relationship**

Verification of relationship of required household members is required at initial application or when a new member joins the household. Once relationship has been verified, it no longer needs to be requested with subsequent applications, unless a change in relationship has been reported/discovered (e.g., marriage, divorce, adoption).

Possible sources of verification are as follows (not all inclusive):

- Birth Certificates which verify relationship
- Legal court documents
- Adoption papers or records
- Hospital or public health birth records
- Bureau of Vital Statistics documents
- Church or baptismal record
- Local, state, federal government or military record
- School records
- Immigration and Naturalization Service records
- Child support paternity records
- Juvenile court records
- BIA or Tribal records
- Marriage license/tribal marriage certificate
- Divorce/Custody papers
- Court records of parentage

- Letter from case manager or social worker for foster, CPS and/or adoptive parents
- NOMADS printout which lists all household members and their relationship to the client
  - Note:** The client does not need to be a current recipient of DWSS benefits, but the printout must verify the household member **received** TANF or TANF Related Medicaid.
- Notarized letter from absentee parent(s)

**Exception:** Households who meet the definition of “homeless” will be allowed up to 90 days to provide verifications that are not readily available or easily obtainable.

If proof of relationship is not available, the case manager must make an evaluative decision and document the rationale for the decision in the computer system.

### 216.2.1 How to Make an Evaluative Conclusion

The case manager must examine and come to a conclusion of relationship based on any other documents not listed above.

**Note:** The case manager may offer assistance if the client has difficulty obtaining the information.

When complete, the case manager must obtain management approval of the evaluative conclusion and document the relationship in the computer system.

### 216.3 Verification of Household Composition

The client’s statement of household composition is accepted unless the case manager has reason to question it, whereby verification would then be required.

Possible sources of verification of household composition are as follows (not all inclusive):

- Copy of the lease listing all household members;
- Statement from non-relative landlord/manager listing all household members;
- Statement from non-relative friend/neighbor listing all household members;
- NOMADS printout which lists all household members living in the client’s residence and verifies all household members are currently receiving TANF, SNAP and/or Medicaid.

### 216.4 Temporary Absence

Temporary absence of a required adult member is allowed for a period of 30 calendar days or less without affecting the household size or countable income.

Temporary absence of a required child household member is allowed for a period of 90 calendar days or less without affecting the household size or countable income.

If it is determined an adult member will be gone for more than 30 calendar days or a child member will be gone for more than 90 days or the absent adult/child member is no longer residing in the household, the member must be removed and eligibility for subsidy benefits reevaluated for the household.

#### **216.4.1 Additional Information**

- The absent child(ren) will be removed from the case if subsidy benefits are requested by another household
- The case will be terminated if all children receiving subsidy benefits leave the household.
- The case will be terminated if the child care household is approved with only one parent/caretaker and that parent/caretaker leaves the household.

The parent/caretaker must provide either verbally or in writing the following:

- The purpose for leaving the household; and
- The approximate date of return; and
- If the member leaves the state, which state the household considers their residence.

The case manager must document this information in the computer system.

#### **216.5 Group Identity**

To ensure correct eligibility is determined per household composition requirements, four group identities (group-set) have been created – Traditional, Minor, Foster or CPS.

##### **216.5.1 Traditional Group Set**

Each application will have only one Traditional Group Set. The Traditional Group Set is usually a parent/child(ren) relationship and would include NNCT and Kinship households.

##### **216.5.2 Minor Group Set**

A minor parent is an individual under the age of 18, who is not emancipated and is the natural parent of a dependent child(ren). Individuals are no longer considered minors beginning the day they become age 18.

##### **216.5.2.1 Additional Information**

- A minor parent may remain on the major parent's case up to their 19<sup>th</sup> birthday. When the minor parent turns 18 years old notify the household of the minor parent's option to remain on the major parent's case or to open a case of their own. The minor parent will remain on the major parent's case until an application

is received from the minor parent or the minor parent turns 19 years old, whichever occurs first.

- An emancipated minor is defined as:
  - A person under age 18 who has been married. The marriage must not have been annulled. If a minor parent's marriage ends due to divorce, the minor is still considered emancipated. A copy of the marriage certificate must be kept in the casefile; or
  - A person under age 18 who has received a Decree of Emancipation issued from a District Court or an established Tribal Court. A copy of the emancipation decree must be kept in the case file.
- A minor parent who is not emancipated cannot apply for subsidy benefits for their dependents. An adult household member must apply on the minor's behalf. If the minor parent is not living with any guardians, the case must be assessed for a CPS referral.

**Note:** The individual signing the application must be able to be held legally responsible for the statements made on the application. A minor cannot be held legally responsible (unless they are emancipated), so they cannot complete the application process.

**Exception:** If NEON Child Care Referral has been received for a minor parent, services must be provided based upon the referral information.

- If a minor parent has not graduated high school or obtained a GED, their primary purpose of care **must** be Student and full-/part-time care is based on the school schedule.

**Note:** A minor parent can be attending school and working and receive subsidy assistance for both purposes of care. If the minor parent is out of school for a break with the anticipation of returning to school, subsidy assistance can continue for the other purpose of care during the school break.

### 216.5.3 Foster Group Set

A foster group set is a child who has been placed with a foster family or foster group home. The foster family or group home has been licensed by a child protective agency to care for a child who is a ward of the court.

#### 216.5.3.1 Additional Information

- A copy of a valid foster care license is required at initial application and each reapplication.
- The foster parent(s) must provide a copy of the placement letter or referral from the court or social service agency, which defines the child as "foster" and the effective date of the transfer of custody. This documentation is required at initial application for a child or for a new foster child placed with the foster parent(s).
- The foster child is considered a household of one unless there are siblings in the household. All siblings must be included in the household size
- The child of a minor parent who is a foster child will be served under the Foster Group Set. The minor parent must meet the criteria as outlined in MS 216.5.2.

- Purpose of care and schedule must be verified for the foster parent(s) listed on the foster license at each application.
- Income received by the traditional household is not countable and not required to be verified.
- Foster parents may be eligible for services with a Job Search POC. For additional requirements refer to MS 400.

#### 216.5.4 Child Protective Services (CPS) Group Set

A CPS group set is a child who has been placed with a relative family. The CPS family has been approved by a child protective agency to care for a child who is a ward of the court.

##### 216.5.4.1 Additional Information

- The client and other required adult household members must become licensed foster parents during the initial 12 month certification period. Once the client provides a copy of their foster care license, the child(ren) must be moved to Foster group set. If the client fails to become a licensed foster parent during the initial 12 month certification period, the household must then be evaluated under another group set and meet all the eligibility requirements for that group set.  
**Note:** If the CPS agency places the child back with the natural/adoptive parent but retains custody, the child is no longer considered a CPS child and will be evaluated as a part of the natural/adoptive parent's household.
- The caretaker must provide a copy of the placement letter/referral from the court or social service agency, which defines the child as "CPS" and the effective date of the placement in the relative's home
- The CPS child is considered a household of one unless there are siblings in the household. All siblings must be included in the total household size
- Purpose of care and schedule must be verified for all required adult household members.
- Income received by the traditional household is not countable and not required to be verified.

## 217 CUSTODY

Children must be living with the person(s) applying for child care subsidy benefits. If the caretaker is not a parent then the caretaker must be either a legal guardian, a relative of specified degree or a person standing *in loco parentis*.

For households that have joint physical custody and both parents are applying for assistance for the common child(ren), both parents must sign an application and other required forms. To determine eligibility, both families will be evaluated as one household to determine if all eligibility requirements have been met (e.g., purpose of care, income). In addition, both parents are equally responsible to report changes. If the parents are not willing to meet these requirements or fail to cooperate, the case manager must deny or terminate benefits.

**Note:** If a household claims joint physical custody of a child but only one parent is applying for assistance, the case manager must only consider the circumstances of the client's household when determining eligibility.

### 217.1 Verification

Clients are required to provide proof of custody for children in their care if they are not the natural/adoptive parents. Possible sources of verification are as follows (not all inclusive):

- Court custody documents
- Adoption papers or records
- Letter from case worker or social worker for foster and/or adoptive parents
- NOMADS printout listing all household members as current TANF or medical recipients and their relationship
- Divorce decree indicating custody arrangements
- Notarized letter from absentee parent
- Other documentation must be approved in writing by the CCDP DWSS Child Care Chief.

**Exception:** Households who meet the definition of "homeless" will be allowed up to 90 days to provide verifications that are not readily available or easily obtainable.

## 218 RESIDENCY

Applicants and eligible household members must be living in Nevada to be eligible for benefits.

### 218.1 Verification

Verification of current residency is required at each application and any time a change in residence occurs. Possible sources of verification are as follows (not all inclusive):

- Rent/Mortgage receipt listing the client's name and current physical address
- Current utility statements/receipts (electric, gas, telephone, cable, etc.) as long as the client's name and current physical address are listed on the document.
- Current statement from non-relative landlord not living in the home.
- Valid Nevada Driver's License or Department of Motor Vehicles ID Card with current physical address.
- Current employer's statement or records (e.g., client's physical address listed on pay stub or Employment Verification form).
- Valid foster parent license.
- Current CPS placement letter as long as the placed children are still in the home.
- NOMADS printout which lists the current physical address and verifies household members are currently receiving TANF, SNAP and/or Medicaid.

**Exception:** For *timely reapplications*, if the household has not moved since the previous application, the verification of residency used with the previous

application may be used as verification for the current application, with the exception of NOMADS verification. For timely reapplications, a new NOMADS printout verifying the client's address has been verified and is currently receiving a benefit is required.

**Exception:** Households who meet the definition of "homeless" will be allowed up to 90 days to provide verifications that are not readily available or easily obtainable.

## **218.2 Protected Address for Domestic Violence Victims**

State law, NRS 217, allows victims of domestic violence to protect their location by applying for a fictitious address through the Secretary of State Office's Confidential Address Program (CAP). Anyone requesting to apply for this protection is referred to their local community domestic violence advocacy group. The local advocacy group Child Care staff will explain CAP and complete a domestic violence assessment. When advocacy group Child Care staff determines CAP is appropriate for the victim, they assist the victim in completing the application process and forward the application and a referral to the Secretary of State's Office.

When an advocacy group has submitted a CAP application to the Secretary of State's Office or a victim has been approved for CAP, the Child Care office must not require the person to provide their actual physical address. Persons pending a determination for CAP may use an alternative address (i.e., friend, relative or shelter address). Victims of domestic violence approved for CAP can use the fictitious address assigned by the Secretary of State's Office.

The Secretary of State's Office verifies Nevada residency; therefore, the Child Care office does not require residence verification for individuals who have applied or been approved for CAP.

### **218.2.1 Verification**

The Secretary of State's Office verifies Nevada residency; therefore, the Child Care and Development Program office does not require residence verification for individuals who have applied or been approved for CAP. If the client has been approved for CAP, request a copy of the letter from the Secretary of State's Office for the case file. At reapplication, client's statement can be accepted to verify CAP status is still current.

If the client is pending a CAP approval, request a statement from the domestic violence advocacy group to verify the pending CAP application. If verification is received showing the actual physical address, the case manager must notate the details such as the household composition, move in date, etc., but it must not include the actual physical address. To conceal the client's location, the actual physical address must not be maintained anywhere in the case file or computer system.

## **218.3 Homeless**

The CCDP recognizes the definition of a homeless household according to section 725(2) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11434a(2)), A homeless household includes children and youths who:

(A) Lack a fixed, regular, and adequate nighttime residence

- **Fixed nighttime residence:** Stationary, permanent, and not subject to change.
- **Regular nighttime residence:** Used on a predictable, routine, or consistent basis.
- **Adequate nighttime residence:** Sufficient for meeting both the physical and psychological needs typically met in home environments.

AND

(B) Includes

- (1) Sharing the housing of other persons due to loss of housing, economic hardship, or a similar reason; are living in motels, hotels, trailer parks, or camping grounds due to the lack of alternative accommodations; are living in emergency or transitional shelters; are abandoned in hospitals; or are awaiting foster care placement;
- (2) Having a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings;
- (3) Living in cars, parks, public spaces, abandoned buildings, substandard housing, bus or train stations, or similar settings; and
- (4) Migratory children who qualify as homeless for the purposes of this subtitle because the children are living in circumstances described in clauses (1) through (3).

Households are considered homeless if they fit both part A and any one of the subparts of part B of the definition above.

### 218.3.1 Verification

Client statement of homeless status is acceptable.

## 219 PURPOSE OF CARE (POC)

To be eligible for a child care subsidy, the client and all other required adult household members and minor parents must be in an approved activity such as working, job search, homeless self-sufficiency plan, attending school (minor parents only), attending DWSS approved NEON activities or the parent/caretaker is disabled/ incapacitated and unable to care for the child(ren). Refer to MS 400 for additional details regarding each type of purpose of care.

**Note:** Minor parents **must** be attending high school or a program to obtain their GED to qualify for child care assistance. If the minor parent has obtained their high school diploma or equivalent, they may qualify for child care under another POC. See MS 440 for additional criteria regarding student POC.

The following household does not meet the purpose of care eligibility requirement:  
An individual who is on strike. A striker is anyone who participates with one or more employee in a work slow-down or stoppage. This includes a stoppage resulting from the expiration of a collective bargaining agreement.

**Note:** Individuals affected by a lockout are not strikers. Additionally, if circumstances deteriorate during the strike to the extent the individual loses his job (e.g., the company is forced out of business, permanent replacements are hired by the company, etc.), the individual will not be considered a striker.

When a household is authorized for the reimbursement of child care services and fails to report timely that an adult household member is no longer participating in their approved purpose of care, the case must be evaluated for an overpayment and an intentional program violation (IPV). Refer to MS 500 for additional information on timely reporting and MS 700 for additional information on IPV.

### 219.1 Verification

Current verification of purpose of care is required at application, reapplication and any time a change in purpose of care occurs. Possible sources of verification are as follows (not all inclusive):

#### Employment:

- Pay stubs
- Letter from employer on company letterhead indicating days and hours of employment, the effective/hire date and signed/dated by the employer. The individual signing the document should be knowledgeable about the employee's wages, schedule, etc.
- Employment Verification, Form 2186-WA
- The Work Number

#### Job Search:

- Job Search Eligibility form issued by the Child Care office

#### Self-Sufficiency Plan:

- Copy of a plan created with another agency
- Letter from a social service agency
- Letter from social worker

**Note:** All homeless self-sufficiency plans will be discussed with the CCDP Chief and approval will be determined on a case by case basis.

#### School Attendance for minor parents:

- Official class schedule
- Other documentation from the school which indicates the start and end date of the course(s)

#### NEON Activity:

- A completed NEON Child Care Referral, signed and dated by the DWSS case manager.

Temporary Disability:

- Letter/statement from a physician or other licensed professional authorized to make such assessments listing the start and anticipated end date of the disability. The letter/statement must state whether or not the client or required household member is able to care for the child(ren) due to the disability.

**219.2 Schedule**

The purpose of care schedule is required to determine when care is needed for the child(ren).

Set Schedule - Clients, required adult household members or, minor parents who have a set schedule must be authorized for the specific days which correspond to their schedule.

Varied/Rotating Schedule - Clients, required adult household members, or minor parents who have a varied/rotating schedule must be authorized for up to the number of days needed to meet their purpose of care per week.

**Example:** The client or required adult household member is scheduled to work four (4) days a week; an open schedule must be noted on the Certificate with a note stating any four (4) days of the week are authorized. Anything over four (4) days is the responsibility of the client.

**219.2.1 Verification**

Current verification of the client's, required household member's or minor parent's schedule is required at application, reapplication and any time a change in schedule occurs.

**Exception:** Schedule verification for homeless households with a self-sufficiency plan POC is not required.

All homeless self-sufficiency plans will be discussed with the CCDP Chief and approval will be determined on a case by case basis.

If verification is unavailable (e.g., employer uses The Work Number, employer refuses to provide schedule information or the client is self-employed), the applicant's statement may be accepted. If this is done, the circumstances must be documented in the computer system.

Possible sources of verification are as follows (not all inclusive):

Employment:

- Letter from employer on company letterhead indicating days and hours of employment, the effective date and signed/dated by the employer
- Employment Verification, Form 2186-WA, completed by the employer

School Attendance for minor parents:

- Official class schedule
- Other documentation from the school

NEON Activity:

- A completed NEON Child Care Referral signed and dated by the DWSS case manager.

**220 CHILD SUPPORT**

The purpose of the Child Support Enforcement Program (CSEP) is to assist custodial parents or caretakers in obtaining support from an absent parent(s) for their child(ren). CSEP can assist with the following:

- Locating the absent parent(s);
- Establishing paternity;
- Establishing and enforcing financial and medical support obligations; **and**
- Collecting and distributing child support payments
- All custodial parents or caretakers must be informed of the child support services offered by DWSS or county district attorney offices.

**220.1 Completing the Application for Child Support Services**

If a parent/caretaker would like to pursue child support, an Application for Child Support Services, Form 4000-EC must be provided to the parent/caretaker

Child Care staff should provide assistance, if requested, in completion of the Application for Child Support Services. If the completed application is received at the Child Care office, Child Care staff will forward the application, along with any available verification listed below, to the appropriate child support office.

- Identification of the parent or caretaker
- Birth certificate(s) for the child(ren)
- Social Security Card(s) for the child(ren) and the parent or guardian;
- Any court document(s) which have established child support payments

**220.2 Responsibilities**

At a minimum, the parent/caretaker must provide the following information about the NCP(s) on the Application for Child Support Services to initiate a child support case:

- The name of the NCP(s); and
- Information about the relationship (example: divorced, separated) with the NCP(s); **and**
- At least one of the following:
  - The Social Security number of the NCP(s); or
  - The last known address of the NCP(s); or
  - Employer information (current and/or previous employer) for the NCP(s); or
  - The name, address and telephone number of the parents of the NCP(s).

**Note:** In minor parent cases, the minor parent must provide information regarding the NCP(s) of the minor's child(ren) and for the NCP(s) of the minor, if any.

Once an Application for Child Support Services is received by the CSEP office, child support staff will take appropriate action to:

- Locate the NCP;
- Establish paternity;
- Establish and enforce financial and medical support obligations; and
- Collect and distribute child support payments.

# Income and Assets

## 300 INCOME

### 301 Introduction

Income is any type of payment which is a gain or benefit to a household. The household's income is used to determine eligibility and subsidy percentage. Consider the income of any person who is a required member of the household.

When calculating a household's income, factors such as irregular and unpredictable income should be considered and a best estimate of the household's **ANNUAL** income should be used to determine eligibility. A 30 day best estimate of income is the most common budgeting method; however other methods should be used when they provide a better representation of the household's income.

When determining eligibility, income is either counted or exempt in the budgeting process. Households must fall below the maximum income limit for their household size as defined in MS 170 to be eligible for benefits.

Budgeting (MS 310) is a procedure used to determine eligibility and subsidy percentage based on the best estimate of income and circumstances which will exist in the year the household will be eligible.

### 302 Income Deductions

Per MS 310 the gross income is used to determine eligibility. The gross income can only be reduced by the following deductions:

- Repayment of an overpayment or wage advance to the same entity issuing the ongoing check; or,
- The deduction allowance for the amount of Drug Addiction and Alcohol (DAA), Social Security Disability Income (SSDI) fee collected by the authorized representative payee; or,
- The Average Cost of Care deduction; or,
- Child Support deductions.

Refer to MS 306.49.1 regarding the treatment of employer fringe benefits (cafeteria plans).

#### 302.1 Average Cost of Care Deduction

To be eligible for the Average Cost of Care deduction, the caretaker must be related to the child requesting assistance and receiving a Child-Only Temporary Assistance for Needy Families (TANF) grant as a relative caregiver or a Kinship Care Payment. In addition, children who are not eligible for TANF due to the receipt of Supplemental Security Income (SSI) are allowed this deduction if they are under the age of 13 or the age of 19 (if the child meets the criteria in MS 211).

The deduction amounts are based upon the child's care level and are as follows:

Infant	\$425.00
Toddler	\$398.00
Preschool	\$358.00
School Age	\$209.00

This deduction(s) must be applied to the household's gross countable income for each child under the age of 13 or under the age of 19 if the child meets the criteria in MS 211, regardless whether subsidy assistance is being requested for the child.

### 302.2 Child Support Deductions

Deduct child support payments that a required household member:

- Is legally obligated to pay; and,
- Actually pays to an absent parent or other entity outside the household.

**Note:** This includes payments made for children who reside in the household part-time when custody is shared.

The payments must represent the household's child support obligation ordered by a court or administrative authority. Allowable deductions include:

- Current support payments;
- Arrearage payments;
- Medical support;
- Payments to third parties;
- Administrative and/or processing fees/charges assigned to court-ordered child support, such as unemployment benefit (UIB) fees for collecting and mailing child support, District Attorney-Family Support fees for processing support payments and employer processing fees.

Do not deduct payments for:

- Alimony or spousal support;
- Any portion of a court-ordered medical insurance expense paid for a child who resides in the home full time; or,
- Any portion of a court-ordered medical insurance expense the adult member pays or is required to pay to cover *themselves*.

To allow the deduction, the applicant must provide verification that:

- The required member has a legal obligation to pay;
- The amount of the obligation; and,
- The actual amount paid.

Verify the household's legal obligation to pay and the obligation amount by viewing (not all inclusive):

- Ledgers Child Support records;
- Court order;
- Administrative order;
- Legally enforceable separation agreement;
- Other official document; or,
- A collateral contact with access to an official document.

Verify amounts actually paid by viewing (not all inclusive):

- Child Support Enforcement Program (CSEP), District Attorney or county registry collection and distribution records;
- Ledgers child support records;
- Cancelled checks;
- Wage withholding statements;
- Withholding information from unemployment compensation;
- Statement from the custodial parent regarding direct payments or third party payments the household pays or expects to pay on behalf of the custodial parent; or,
- Pay stubs which clearly verify a deduction is for child support and the amount of the deduction

**Note:** Documents used to verify the household's legal obligation to pay child support are *not* acceptable verification of actual payments.

When budgeting the deduction, consider any anticipated changes in the legal obligation and any other changes that would affect the payment.

**Note:** If an absent or estranged parent returns to the household and continues to pay legally obligated support (current or arrearages) and this payment is received by the Child Care household, do not budget as income and do not allow the support payment as a deduction.

### 302.3 Budgeting Child Support Deductions

If the required household member is just starting to pay the child support payments and the verification received is for only a partial payment, allow the verified monthly obligation only.

**Example:** Court order verifies monthly obligation of \$500 per month plus \$50 per month in arrears and the required household members first payment is made on 7/15 for \$250. Allow only the \$500 at approval.

If the required household member has been paying, use a calendar month history of 2 months or longer and average to a monthly amount.

**Example:** Court order verifies monthly obligation of \$500 per month plus \$100 per month for medical support. The last two (2) calendar month history verifies payments made for \$250, \$275, \$250 and \$300. The total is \$1,075 divided by two (2) equaling \$537.50 which is allowed as the monthly deduction.

### 303 Verification of Income

Current verification of countable income is required at initial application, reapplication, and any time a change in income requires an action to the ongoing case. Refer to MS 500 for more information on changes.

#### Exceptions:

- Income verification is not required if a NEON referral is received from DWSS. Accept the income statement that is provided on the NEON Referral. Refer to MS 116.1 for additional information on NEON referrals.
- Income verification is not required for Wraparound cases. The Head Start or Early Head Start Agency verifies household income for Head Start eligibility and that income will be used for Wraparound eligibility. Refer to MS 800 for additional information on Wraparound cases.

The case manager should not verify income if the amount reported makes the household ineligible.

**Example:** The applicant reports monthly income of \$5,000 for a household of four. This amount exceeds the maximum income limit; therefore, benefits should be denied without requesting further verification.

Verification of countable income received in the 30 days prior to the application date stamp is used to determine the gross monthly amount for initial and subsequent eligibility. If income fluctuates to the extent a 30-day period cannot provide an accurate estimate, income from the same source for up to 365 days prior to the application date stamp may be used. The prior income period begins the day prior to the application date stamp and extends backwards.

This 30-day period applies to timely or untimely case approval unless additional verification of income is provided by the household or discovered by the agency between the application date stamp and the date of approval. Changes in the best estimate calculation will only be evaluated if one of the following changes in income is reported or discovered prior to approval. Refer to MS 500 for information on updating changes an ongoing case:

- Change in employer
- Stopping or starting a job
- New source of countable unearned income
- Termination of unearned income

**Examples:****Timely Processing**

Client applies on September 4, and an interview is conducted on September 14; client reports no changes since the application was submitted. The client is employed and is paid biweekly on Fridays. The client provided paystubs for August 31, August 17, and August 3. The 30-day period is September 3 back to August 5. The case manager will use the paychecks received on August 17 and August 31 and no additional paystubs are required.

**Untimely Processing**

Client submitted their application on June 13. The client reports on their application they are paid every Thursday, and provides paychecks received on May 15, May 22, June 5, and June 12 along with all other required verifications; no interview is held. Due to extenuating circumstances the case manager is unable to work the application until July 15. The additional paychecks received between June 13 and July 15 will not be required. The 30 day period will begin on June 12 and extending back to May 14.

If the application reflects a new source of income, without a 30 day history, a projected best estimate of the new income must be calculated. Refer to MS [312](#) for converting new income.

Independent verification of exempt income is not required. Self-declaration of exempt income on the application is acceptable. Refer to MS 306 for a list of exempt income.

If verification of income is required but unavailable (the individual's job would be jeopardized, the employer refuses to cooperate, the business has closed, etc.), the individual's statement may be accepted. If a statement is used, the reason the applicant's statement was accepted, along with all other methods of verification attempted prior to accepting the applicant's statement, *must* be documented in the computer system.

**304 Documentation of Income**

Verification and computation of all household income *must* be documented in the computer system at initial application, reapplication, or any time a change is reported or identified.

Additionally, as part of the federal monthly reporting requirements (ACF 801 Report), the income listed below must be documented in the computer system if the information is available:

- Housing Assistance
- Supplemental Nutrition Assistance Program (SNAP), formerly Food Stamps
- Supported Living Arrangement (SLA)
- Family Preservation Program (FPP)
- Earned income Tax Credit (EITC)
- Indian General Assistance

- Native and Indian Claims
- Military Allowances
- Women, Infants, and Children (WIC)
- Medicaid

### **305            Income Limits**

The household's gross countable income, less any allowable deduction, cannot exceed the following limits for the applicable household size. Refer to MS 302 for allowable income deductions.

#### **Maximum Income Limit – 85% of the State Median Income**

The maximum income limit is 85% of the state median income (SMI). The case manager must apply this test to all households in the application month.

The household is ineligible if the total countable gross income of all members, less any allowable deductions per MS 302, exceeds the maximum income limit for the household size. Refer to MS 170 for income limits.

#### **130% of Federal Poverty Level**

130% of Federal Poverty Level (FPL) is the income limit that determines which funding category should be debited for services. If the household is not eligible for NEON funding as described in MS 102, and their income is less than or equal to 130% of FPL, they must be paid from the At-Risk funding category. If the household's countable income exceeds 130% of FPL, they must be paid from the Discretionary funding category. Refer to MS 103 for any exceptions to the funding category.

### **306            Types of Income**

When determining eligibility, count any income not specifically listed as exempt. Refer to MS 390 for budgeting procedures unless specified budgeting is explained with the income type (e.g., child support, self-employment).

Earned income is cash or income-in-kind received for performing work-related activities which is paid through salary or hourly wages. Other examples of earned income are self-employment, tips, wage advances, bonuses, commissions, and military pay.

Unearned income is income received without performing work-related activities. This includes benefits such as unemployment, Social Security, and veteran's benefits.

#### **ALPHA LISTING OF TYPES OF INCOME AND INCOME STATUS**

The following alpha list of income types contains coding to quickly determine whether income is earned or unearned and whether it is countable or exempt. The manual location is provided for quick reference to policy to ensure an accurate evaluation of income is made for budgeting purposes.

Coding Key:

**TYPE:**                    **E** = Earned                    **U** = Unearned  
**COUNTABLE:**        **Y** = Countable            **E** = Exempt                    **M** = Maybe

<b>INCOME</b>	<b>TYPE</b>	<b>COUNTABLE</b>	<b>MANUAL SECTION</b>
Adoption Subsidies	U	N	306.1
Advances	E	M	306.49.1
Alimony	U	Y	306.2
Cash Contributions	U	M	306.3
Cash Gifts	U	E	306.4
Child Support	U	Y	306.5
Contractual Earnings	E	Y	306.6
Crime Victim's Compensation Payments	U	E	306.7
Disability Insurance Benefits	U	Y	306.8
Dividends	U	Y	306.9
Earned Income Tax Credit (EITC)/Income Tax Refund	U	E	306.10
Educational Assistance	U	E	306.11
Energy Assistance	U	E	306.12
Family Preservation Programs (FPP)	U	E	306.18
Flexible Fringe Benefits	E	M	306.49.1
Foster Care Payments	U	E	306.13
Gambling Winnings	U	Y	306.14
Gift Certificates	U	E	306.4
Government Disaster Payments	U	E	306.15
Incentive Payments/Bonuses	E	Y	306.49.1
Independent Living Payments	U	E	306.16
Indian General Assistance (IGA)	U	Y	306.42
Individual Development Account (IDA)	U	E	306.17
In-Kind Income	U	Y	306.19
Job Training and Training Allowances	U	E	306.20
Jury Duty	U	E	306.21
<b>INCOME</b>	<b>TYPE</b>	<b>COUNTABLE</b>	<b>MANUAL SECTION</b>
Kinship Care Payments	U	Y	306.40

Loans	U	E	306.22
Lump Sum Payments	U	M	306.23
Military Pay and Allowances	E	M	306.24
Minor Parent Wages	E	E	306.49
National and Community Services Act (NCSA)	U	E	306.25
Native and Indian Claims	U	E	306.26
Nutrition Programs	U	E	306.27
Pensions	U	Y	306.28
Property Income (Rental/Lease)	E	Y	306.29
Radiation Exposure Compensation Act Payments	U	E	306.30
Reimbursements	U	E	306.31
Relocation Assistance	U	E	306.32
Retirement, Survivors and Disability Insurance Benefits (RSDI)	U	Y	306.33
Retroactive Payments	U	M	306.23
Royalties	E	Y	306.34
Seasonal Employment	E	Y	306.35
Self-Employment	E	Y	306.36
Self-Sufficiency Grant (SSG) (TANF)	Y	Y	306.40
Sibling Income for Employment	E	E	306.49
Subsidized Housing Assistance	U	E	306.37
Supplemental Nutrition Assistance Program (SNAP)	U	E	306.38
Supplemental Security Income (SSI)	U	E	306.38
Supported Living Arrangement (SLA)	U	E	306.18
Temporary Assistance for Needy Families (TANF)	U	Y	306.40
TANF Loan Program (TANF)	U	Y	306.40
TANF Temporary Program (TANF)	U	Y	306.40
Temporary Disability Insurance	U	Y	306.41
Temporary or Ongoing Assistance from Other Organizations	U	Y	306.42
Third Party Beneficiary	U	E	306.43
<b>INCOME</b>	<b>TYPE</b>	<b>COUNTABLE</b>	<b>MANUAL SECTION</b>
Tips	E	Y	306.49.1

Tribal Assistance	U	Y	306.26
Trust Funds	U	Y	306.44
Unemployment Insurance Benefits (UIB)	U	Y	306.45
Vendor Payments	U	E	306.46
Veterans Administration Benefits (VA)	U	M	306.47
Victims of Nazi Persecution Payments	U	E	306.48
Wages, Salaries and Commissions	E	Y	306.49
Work Study	U	E	306.11
Workers' Compensation	U	Y	306.50
Workforce Investment Act of 1998 (WIA)	U	E	306.51

### **306.1 Adoption Subsidies** *Unearned - Exempt*

A monthly cash benefit paid to the adoptive parents of a child involved in a “special needs” adoption. The subsidy is based on the needs of the child, not the adoptive parents and may or may not change year to year. Not all adoptions receive adoption subsidy benefits.

### **306.2 Alimony** *Unearned - Count*

Money paid regularly by one marriage/domestic partner to the other as ordered by a court after a legal separation or divorce, or during proceedings for divorce or separation.

### **306.3 Cash Contributions** *Unearned - Maybe*

Cash given to the household to assist with any financial needs the household is unable to provide for themselves.

Count as income any cash which is given to the subsidy household from someone not living in the home which is not required to be paid back by the subsidy household.

Exempt any contribution made for common household expenses (including food, shelter, utilities, and items for home maintenance) by an individual living in the same home with the subsidy household as long as that individual is not considered a required household member (refer to MS 216.1 regarding required household members).

### **306.4 Cash Gifts / Gift Cards / Gift Certificates** *Unearned - Exempt*

A monetary gift which is given voluntarily without payment in return, as to show favor toward someone, honor an occasion, or make a gesture of assistance and is received too irregularly to be reasonably anticipated.

A gift certificate or gift card is usually presented as a gift that entitles the recipient to select merchandise of an indicated cash value at a commercial establishment.

### **306.5**      **Child Support**    *Unearned - Maybe*

The payment of funds by a non-custodial parent (NCP) to a custodial parent for the financial and medical care of a child.

Child support received by the child care household is countable income. Generally, payments from a non-custodial parent (NCP) are considered child support and are the income of the recipient, regardless if the support is intended for another individual (i.e., the child). This includes court-ordered medical payments paid directly to the applicant/client from a non-custodial parent.

Count as household income payments made by the NCP directly to the applicant/recipient's creditor or person providing the service in lieu of child support payments.

Count as household income any portion of child support received for a family member who no longer resides in the home and is retained by the participating household.

Do not count as income court ordered medical cash support turned over to, retained, or intercepted by Medicaid to offset Medicaid expenditures for the child in the support order.

**Note:** Child support should be listed in the computer system under the recipient's name, not the child's name.

#### **306.5.1**      **Lump Sum Child Support Payments**

Count lump sum payments for child support arrears received for an eligible child as a non-recurring lump sum (see MS 306.23).

Child support payments considered to be lump sum payments are received from the following sources:

- IRS intercept program;
- Insurance settlements; or,
- Financial institution attachment.

#### **306.5.2**      **Retained Child Support Payments**

Child support received by CSEP for a child who is receiving TANF assistance is generally retained as reimbursement for benefits paid. However, the money may be sent to the assistance unit for the following reasons:

- Collections for Non-TANF Unit Members - The amount of support collected for nonmembers is returned to the household.

- Collections for Closed Cases - Once a case closes, the collection process does not stop for CSEP, unless the custodian requests case closure. The current support collected after closure is forwarded to the household.

For households who are transitioning from NEON subsidy to At-Risk or Discretionary subsidy, verify if child support was retained while the household was receiving TANF. If child support was retained, budget the monthly amount which was retained. Refer to MS 306.5.4 for information on calculating child support income.

### 306.5.3 How to Verify Child Support Payments

Verification can be in the form of (not all inclusive):

- A copy of the client's Child Support Debit Card statement;
- A printout of the CST Payment Record screen from Ledgers
- A copy of the check(s) or a printout of payments received from the out-of-state child support office;
- A copy of a support agreement issued by the court that reflects the current amount of support received, or to be received, by the applicant. The applicant's statement should correspond to the amount on the court order;
- A copy of an informal (not issued by the court) support agreement signed and dated by both parents;
- A Cash Contribution, form 2506-WC, completed by the NCP. The NCP must sign and date the form for it to be valid;
- A written statement from the NCP which includes their name, address, phone number, amount of child support paid and the frequency of the payments. The NCP must sign and date the document for it to be valid; or,
- When all other avenues of verifying child support are not available, the case manager can accept the applicant's statement; however, the circumstances and various attempts must be documented in the computer system. In addition, if the information provided by the applicant's is questionable, the case manager must request a copy of the applicant's bank statement and/or checks/money orders received from the NCP which can be used to validate the applicant's statement.

### 306.5.4 How to Calculate Child Support Income

There are some circumstances which require the factoring of child support income; however, each case must be individually evaluated for the correct budgeting method. It is best to review a 6 to 12 calendar month payment history when verifying child support income to help in the determination process of whether the income must be factored or an average needs to be used due to irregular payments.

*Do not* factor child support income if:

- There is a court order which specifies the monthly garnishment payment will never go over a specified amount per month.

**Example:** Court ordered amount is \$500/month with arrears of \$50/month. The history verifies two payments made in the month of \$275 each. Budget \$550 and do not factor the income.

- A review of the child support history (6 to 12 calendar months) determines the support payments are irregular in amount **and/or** frequency, an average is the best available method for determining the best estimate of anticipated monthly income.

**Example:** Case is processed on 07/15; payment received on 05/04 of \$150, 05/16 of \$75, 6/10 of \$62.12, and 06/27 of \$130. Amounts would be added together and divide by 2 (no factoring) for a monthly child support amount of \$208.56.

- The NCP provides a statement that he gives the client a specific amount twice a month.

**Example:** \$50 twice a month from NCP -  $\$50 \times 2 = \$100.00$

Do factor child support income if:

- The applicant receives regular weekly or bi-weekly payments. A court order will sometimes allow the obligation to be annualized and garnished every payday.

**Example:** The applicant receives \$130 every 2 weeks from NCP -  $\$130 \times 2.15 = \$279.50$

- The applicant regularly receives money above the monthly child support obligation.

**Example:** The child support order specified \$200/month child support and \$10/month in arrearages. The applicant has a long history of receiving \$60/week. CSEP is applying the extra child support obligation received to the arrearages and forwarding the monies to the applicant. In this case, factoring is the best method to determine a monthly amount.

Refer to MS 311 for information on factoring income to determine a monthly amount.

Prudent worker judgment must be practiced when evaluating child support income; therefore, the reasoning behind the decision of how a best estimate or projection of income was determined must be documented in the computer system.

If court documents verify the NCP is required to pay monthly support, however the applicant and the NCP have a mutual agreement that the applicant will accept a specified amount to cover a specified time period, divide the amount received by the monthly obligation and use this amount as a monthly amount for the number of months it would cover if the NPC were paying the obligated amount monthly.

**Example:** NCP's monthly child support obligation is \$400 per month and applicant has agreed to accept \$4500 in April to cover the next 12 months. \$4500 divided by 12 equals \$375 per month to be budgeted for 12 months.

### **306.5.5** Newly Established Child Support Payments

When verification of a newly established court order for child support is received do not include the child support income until one calendar month of payment history can be verified. The case manager is responsible to follow-up within 45 days of the case approval or date the change is reported for an ongoing case. The case manager should verify if the information is available in Ledgers. If it is not available an RFI should be sent to the client for status of child support payments.

### **306.6** Contractual Earnings *Earned - Count*

A contract that applies to the terms of a work agreement, with the specific terms and conditions under which a person consents to perform certain duties as directed and controlled by an employer in return for an agreed upon wage or salary. Self-employment income, full-time employment with benefits (such as school employees), or income received on an hourly or piecework basis are not included in contractual earnings.

To budget contractual earnings monthly, divide the total gross amount of the contracted earnings by the number of months the contract covers.

### **306.7** Crime Victim's Compensation Payments *Unearned - Exempt*

Payments from funds authorized by state legislation to assist a person who:

- Has been a victim of a violent crime;
- Was the spouse, parent, sibling, or adult child of a victim who died as a result of a violent crime; or,
- Is the guardian of a victim of a violent crime.

### **306.8** Disability Insurance Benefits *Unearned - Count*

An insurance policy that pays benefits, for a specified period of time, in the event the policyholder becomes incapable of working.

### **306.9** Dividends *Unearned - Count*

A share of a company's profits that is divided among shareholders. People who own stocks, bonds, or mutual funds, may receive dividends from those investments.

### **306.10** Earned Income Tax Credits/Income Tax Refund *Unearned - Exempt*

A benefit for working people with children who have low to moderate income; it reduces the amount of tax owed and may also give a refund. Earned Income Tax Credit (EITC) may be included:

- In an employee's paycheck (advance EITC payments) before their income tax return is filed; or,
- In the household's income tax refund.

**306.11 Educational Assistance** *Unearned - Exempt*

Educational assistance is any financial aid for vocational or educational courses from:

- An organization (such as fraternal, alumni, etc.); or,
- A government program or agency (such as U.S. Department of Education, Veteran's Administration (VA), etc.).

Most educational assistance programs are administered through the U.S. Department of Education under Title IV of the Higher Education Act. Some of the most common programs are:

- Pell Grants
- Stafford Loan Program
- Parent Loans for Students (PLUS Loans)
- Supplemental Educational Opportunity Grants (SEOG)
- College Work Study (CWS)
- Carl D. Perkins Loans (Title IV, Part E) (formerly National Direct Student Loans)
- VA Education Programs
- Bureau of Indian Affairs (BIA) Education Grants

Educational assistance is also provided by the National Community Services Act (NCSA) program. Individuals are awarded from \$1,000 to \$4,000 per year of completed services to apply toward past or future educational expenses.

College work-study programs provide a method for postsecondary education students to earn funds that are used toward their education. Work-study programs help students earn monetary awards towards their postsecondary education. The program is based on financial need and students must be accepted into the program to qualify.

**306.12 Energy Assistance** *Unearned - Exempt*

Energy assistance is a government or private program to reduce energy costs for low income people who might have difficulty paying for heating and cooling. The assistance may be in the form of cash, vendor, in-kind or two-party check payments.

**306.13 Foster Care Payments** *Unearned - Exempt*

A payment made to a licensed foster parent(s) or foster home for the care of a foster child(ren).

**306.14**      **Gambling Winnings**      *Unearned - Count*

Any income that is the result of games of chance or wagers on events with uncertain outcomes. Count as lump sum income in accordance with MS 306.23

**306.15**      **Government Disaster Payments**      *Unearned - Exempt*

Small Business Administration (SBA) loans and Individual and Family Grant (IFG) funds, made available to restore a home and personal possessions damaged in a disaster if the household is subject to legal penalties when the funds are not used as intended.

**306.16**      **Independent Living Payments**      *Unearned - Exempt*

The Independent Living Program is designed to prepare foster teens to move out on their own following the end of Division of Child and Family Services (DCFS) custody and successfully live independently as an adult. Once custody has ceased, due to emancipation, these young adults may continue to receive limited financial assistance based upon need and available funding.

The Independent Living Program services are available to youth 15 and older who are currently in foster care and to former foster care youth who aged-out of the foster care system at age 18. Independent living services are also available to youth who were adopted from foster care on or after their 16th birthday. Young people who aged-out may continue receiving services until age 21. Nevada will extend independent living services to youth who have aged out of care in another state.

**306.17**      **Individual Development Account**      *Unearned - Exempt*

The use of Individual Development Accounts (IDAs) is intended to improve the economic independence and stability of individuals and families and to promote and support the transition to economic self-sufficiency. Federal funds match the amount of earnings low-income working individuals and families deposit into an IDA. IDA savings are to be used for a first home purchase, post-secondary educational expenses, or business capitalization.

The Social Security Act provides for State Family Assistance Grant funds to be used to establish IDAs. State Family Assistance Grant funds include (not all inclusive):

- Temporary Assistance for Needy Families (TANF); and
- Welfare-to-Work (WtW)

The Assets for Independence Act (AFIA) provides for IDAs to be established under:

- Head Start;
- Low Income Home Energy Assistance (LIHEA); and
- Community Services

**306.18 Family Preservation Program / Supported Living Arrangement**  
*Unearned - Exempt*

Family Preservation Program (FPP) payments and Supported Living Arrangement (SLA) payments are funds authorized by state legislation to assist individuals with disabilities or mentally disabled SSI individuals, so they can live in the community.

FPP and SLA payments are administered and distributed by the Nevada State Division of Mental Health Development Services (MHDS) for:

- Persons with profound or severe mental retardation, or
- Children under the age of 6 years with development delays.

**306.19 In-Kind Income** *Earned - Count*

Work performed in exchange for benefits such as room, board, rent or other needs.

**306.20 Job Training and Training Allowances** *Unearned - Exempt*

Monetary assistance provided to an individual for training related expenses.

**306.21 Jury Duty** *Unearned - Exempt*

To be summoned to serve or serve as a juror in a legal proceeding.

**306.22 Loans** *Unearned - Exempt*

An arrangement in which a lender gives money to the client and the client agrees to repay the money at some future point(s) in time. Usually, there is a predetermined time for repaying a loan.

**306.23 Lump Sum Payments** *Unearned - Maybe*

Any payment received in a month from a source that is not likely in the foreseeable future to make additional payments to the household. Lump sum payments may be received in one or more individual checks but are considered a lump sum if all money received is a part of the *whole* payment due.

Lump sum payments include, but are not limited to, retroactive benefit payments (RSDI, UIB, VA, etc.), insurance settlements, awards or settlements received for personal injury, inheritance, winnings, employment severance pay, child support arrear payments, etc.

Exempt lump sum payments in the amount of \$5,000 or less. Count as income any portion which is in excess of \$5,000.

**Timely Reporting:**

If a lump sum payment renders the case ineligible, the household should be considered ineligible for 30 days following the date the action is taken in the computer system, allowing for advance notice of the adverse action.

If a lump sum payment does not render the household ineligible, it may change the applicant's co-payment percentage for 30 days following the date the action is taken in the computer system, allowing for advance notice.

**Note:** If the applicant reports receiving a lump sum after submitting an application but prior to approval, which makes them ineligible, the case manager must deny benefits for 30 days from the application date stamp. The certification period can start following the 30-day ineligible period, if all other eligibility requirements are met. A new application is not required; the original application submitted may be used.

**Untimely Reporting:**

If a lump-sum payment is not reported timely, the case is evaluated for an overpayment for a 30 day period starting from the date the lump sum was received. See MS 700 for calculation and collection of overpayments.

If a lump sum is provided to assist with burial, legal, medical bills or replacement of damaged or lost possessions, disregard from the lump sum any amount earmarked and used for the purpose for which it was paid. A copy of the settlement may be requested to verify earmarked expenses if it is questionable the expenses are related to the lump sum.

**306.24 Military Pay and Allowances** *Earned - Maybe*

Wages based upon employment with one of the military branches of the United States Department of Defense. Military pay includes Basic Pay (BP) and Proficiency Pay (PRO). Count as income.

A military allowance is money necessary for the efficient performance of duty. Military allowances include Basic Allowance for Quarters (BAQ) and Basic Allowance for Subsistence (BAS). Exempt income.

**306.25 National and Community Services Act** *Unearned - Exempt*

The National and Community Services Act (NCSA) of 1993 established a corporation to administer paid volunteer service programs. The corporation provides funds, training, and technical assistance to states and communities to develop and expand human, education, environmental, and public safety services.

The corporation oversees existing programs created under the Domestic Volunteer Service Act (DVSA) of 1973, (Public Law (PL) 93-113), such as:

- Volunteers in Service to America (VISTA);

- Retired Senior Volunteer Program (RSVP);
- Foster Grandparents;
- Senior Companions;
- Community Service Employment Program (includes Senior Citizen Service Employment);
- Service Corp of Retired Executives (SCORE);
- Active Corps of Executives (ACE); and
- Mini Grant Program.

The corporation also administers new programs that include:

- AmeriCorps\*VISTA (for participants 17 years and older);
- AmeriCorps\*VISTA (for participants 18 years and older);
- AmeriCorps\*NCCC (for participants 16 to 24 years old); and
- Youth Corp and Learn and Serve.

**306.26 Native and Indian Claims** *Unearned - Exempt*

Monetary court settlements to Native and Indian claims by the United States government.

Income applies to either distributions of funds appropriated in satisfaction of a judgment in favor of Indian tribes, bands, groups, pueblos, or communities by the Indian Claims Commission or the Court of Claims or per capita payments as permitted by the Per Capita Distributions Act of 1983, Public Law 98-64, made to Indians out of tribal trust revenue held by the federal government. The exception is funds held by Alaska Native Regional and Village Corporations (ANRVC) which are *not* held in trust by the Secretary of the Interior.

Exempt all income except ANRVC dividend distributions which are *not* excluded from countable income.

**306.27 Nutrition Programs** *Unearned - Exempt*

Programs administered by the Food and Nutrition Service (FNS) which provide better access to food and promote healthy eating through nutrition education programs.

**306.28 Pensions** *Unearned - Count*

A fixed amount of money paid regularly to somebody during retirement, for either age or disability, by the government, a former employer, or an insurance company.

**306.29 Property Income (Rental/Lease)** *Earned - Count*

Property bought or developed to earn income through renting, leasing or price appreciation.

Consider income from property (non-liquid resources such as equipment, vehicles, real property), whether from renting, leasing, or selling on an installment plan, as countable income.

**Note:** If the household member sells property on an installment plan, count the payments as income. Exempt the balance of the note as an inaccessible resource.

### **306.30**      **Radiation Exposure Compensation Act Payments**      *Unearned - Exempt*

A federal statute (PL 101-426) providing for the monetary compensation of people, including atomic veterans, who contracted one or more of specified diseases as a direct result of their exposure to atmospheric nuclear testing undertaken by the United States during the Cold War, or their exposure to high levels of radon while doing uranium mining.

### **306.31**      **Reimbursements**      *Unearned - Exempt*

An act of compensating someone for an expense the person incurred. Often, a person is reimbursed for out-of-pocket expenses when the person incurs those expenses through employment or in carrying out the duties for another party.

### **306.32**      **Relocation Assistance**      *Unearned - Exempt*

Specific government relocation payments for:

- Title II of the Uniform Relocation Assistance and Real Property Acquisitions Act of 1970;
- Title I of PL 100-383 (these payments are made to Aleuts or individuals of Japanese ancestry (or their heirs) who were relocated during World War II).

### **306.33**      **Retirement, Survivors and Disability Insurance**      *Unearned - Count*

A program administered by the Social Security Administration for individuals who have earned benefits based on their work history and earnings. Retirement, Survivors and Disability (RSDI) Benefits are paid to beneficiaries based on the Social Security earnings of the retired, disabled or deceased worker. Benefits may be payable to the claimant and certain family members (e.g., spouse, dependent children).

Count as income the amount of the entitlement (including the amount deducted from the check for the Medicare premium) less any amount that is being recouped for a prior overpayment.

**Note:** Do not count RSDI benefits which a member of the childcare household is entitled to receive, if the benefits are paid to someone outside the home and the benefits are not made available to the household member.

**306.34**      **Royalties**    *Earned - Count*

A percentage of the revenue from the sale of a book, performance of a theatrical work, use of a patented invention or of land, etc., paid to the author, inventor, or proprietor.

**306.35**      **Seasonal Employment**    *Earned - Count*

A short-term temporary position designed to fill a temporary need that occurs only during a certain period of the year as the need for the position is related to the time of year. Winter ski resort employee, certain types of farm work, sharecroppers, and summer or winter employment are examples.

Prorate seasonal employment that is a household's annual means of support over twelve (12) months. If the income supports only a portion of the year and the household supplements its earnings from other sources the rest of the year, average the earnings over the period of time they are intended to cover.

**306.36**      **Self-Employment**    *Earned - Count*

The act of generating one's income directly from customers, clients or other organization as opposed to being an employee of a business (or person). An individual is self-employed if engaged in an enterprise for gain, either as an independent contractor, franchise holder, or owner-operator. This includes individuals working as an Avon, Mary Kay or Tupperware representative or a newspaper delivery person. Individuals are not considered self-employed if income taxes or FICA are withheld from the individuals' earnings.

Self-employment income is budgeted based on the actual income received and actual allowable expenses paid. *At least* a 2 calendar month history should be used.

**Note:** Annual or quarterly income tax statements or updated business records/accountant records can be used.

**306.36.1**      **Self-Employment — Budgeting Procedures**

Determine monthly countable income based on the individual's income from self-employment and cost of doing business. If there are anticipated changes in income, expenses or both, use this information to determine the monthly amount of self-employment income.

1. Total all gross self-employment income (including the full amount of a capital gain) for the period of time over which self-employment is determined.

Capital gain is the financial profit from a sale or transfer of capital assets (accumulated possessions such as products, raw materials, equipment, or ownership of a business).

When calculating self-employment income, add any capital gains the household expects to receive during the certification period to determine monthly countable

income. Use this amount for the entire certification period unless a new average is computed because the individual received an unanticipated capital gain or a different amount than anticipated.

2. Determine net self-employment income by subtracting allowable costs of producing the income (**Examples:** labor, sales tax, stock, raw materials, advertisement, insurance premiums, utilities, repairs that maintain income-producing property, supplies, fuel, linen service, property tax and interest from business loans on income-producing property).

If receipts are not provided for expenses, the expense is not allowed.

**Note:** Fuel expenses are not allowed without a detailed mileage record/log or other documentation showing beginning and ending mileage, and destination, which supports the expense. The mileage allowance is based on the current approved standard mileage rates established by the Internal Revenue Service.

Do not deduct:

- Payments on the principal of loans for income-producing property;
- Capital asset purchases, such as real property, equipment, machinery and other durable goods;
- Capital asset improvements;
- Net loss which occurred in a previous period;
- Work-related expenses, such as federal, state and local income taxes, retirement contributions, and travel to and from the place of business;
- Depreciation; or
- Costs that are not related to the self-employment; (e.g., entertainment, personal transportation costs).

### 306.36.2 Verification of Self-Employment Income

Business records and income tax forms are the ideal source of verification. However, if this information is not available or current, use of the Self-Employment Worksheet, form 2011-EG, is acceptable if the income and expenses cannot otherwise be verified by collateral contacts or documentary information. If gross income is not received for a period of 1 calendar month or more, the household is not eligible. Furthermore, if the applicant claims little or no income, verification of how they are meeting their monthly obligations must be requested via the Request for Information. If the household fails to provide verification, their child care benefits must be denied/terminated. If the household provides the verification and it appears questionable, the case must be referred to Investigations and Recovery Unit (I&R) for an investigation. Do not delay case processing if the case is referred to I&R.

The following must be documented in the computer system:

- The method used to calculate countable self-employment income;

- Deductions for the costs of doing business;
- The number of hours engaged in the enterprise; and
- Other factors used to determine the amount of income.

If the only source of verification used is the Self Employment Worksheet, document the reason in the computer system.

**306.37 Subsidized Housing Assistance** *Unearned - Exempt*

Living spaces partially paid for by the government, including single-family homes, apartments, and assisted-living facilities.

**306.38 Supplemental Nutrition Assistance Program** *Unearned - Exempt*

A federally funded program to help low-income families buy nutritious food from authorized retailers. Supplemental Nutrition Assistance Program (SNAP) benefits are available to qualifying families, elderly people, and single adults. SNAP was previously called Food Stamps.

**306.39 Supplemental Security Income** *Unearned - Exempt*

Supplemental Security Income (SSI) is a federal program that provides additional income for older and disabled individuals with little to no income stream. This program helps the participants meet their basic needs by providing them with monthly cash distributions.

Exempt income; exempt any retroactive SSI payments and Interim Assistance (IA) for pending SSI applicants.

**306.40 Temporary Assistance for Needy Families** *Unearned - Count*

The Temporary Assistance for Needy Families (TANF) program has been restructured to include five TANF programs: NEON Program, Child-Only Program, Self-Sufficiency Grant Program, Loan Program and Temporary Program.

- **NEON Program:** The NEON Program is a work program for households containing work eligible individuals. This is a TANF Cash Assistance Program. A NEON Child Care Referral is required for all work eligible caretakers. Refer to MS [116.1](#) and 410 for additional information on the NEON program.

Count the total amount of the TANF grant as income in the month received.

If the benefit is not going to continue, do not use it in the projection; however, any client who has received TANF cash is considered to be receiving TANF until it is verified they are no longer eligible.

- **Child Only Program:** This program is designed for households not having any work eligible caretakers. No adults receive assistance due to ineligibility or

because the caretaker is a relative caregiver. Categories of child only households include:

- Non-qualified non-citizen caretaker
- SSI caretaker;
- Relative caregiver; and
- Kinship care caretaker

Count the total amount of the TANF grant as income in the month received. If the grant is not going to continue, do not use it in the projection; however, any household who has received a TANF cash grant is considered to be receiving TANF until it is verified they are no longer eligible.

**Note:** Relative caregiver grants and Kinship Care grants may be reduced using the Average Cost of Care deduction. Refer to manual section 302.1.

- **Self-Sufficiency Grant:** The Self-Sufficiency Grant (SSG) is a one-time, lump-sum payment designed to meet immediate needs until regular income is received from employment, child support or other ongoing sources.
- **TANF Loan Program:** The TANF Loan Program is a non-assistance cash program that provides financial assistance to a household who has an eligible member who has a reasonable expectation of a future source of income which would repay the loan. For example, an applicant pending SSI may receive Loan benefits which will be required to be paid back upon approval and receipt of SSI benefits.

Eligible households will receive a monthly payment designed to meet the family's needs until an anticipated future source of income is received.

- **Temporary Program:** This is a monthly payment designed to meet an immediate episode of need and is limited to no more than four months per episode of need.

Count the total amount of the TANF grant as income in the month received. If the grant is not going to continue, do not use it in the projection, however, any household who has received a TANF cash grant is considered to be receiving TANF until it is verified they are no longer eligible.

### **306.41 Temporary Disability Insurance** *Unearned - Count*

Employer-funded compensation paid to an individual who is disabled less than 12 months. The individual usually remains employed during recuperation from the temporary illness or injury pending their return to work.

### **306.42 Temporary or Ongoing Assistance from Other Organizations** *Unearned - Count*

Temporary or ongoing cash assistance from other agencies/organizations, such as County General Assistance (GA) or Indian General Assistance (IGA).

**306.43 Third-Party Beneficiary** *Unearned - Exempt*

Money a household receives that is intended and used for a non-household member.

**306.44 Trust Funds** *Unearned - Count*

A fund established by a grantor to provide financial security to an individual. Count any withdrawals or dividends the household receives from a trust fund as income.

**Note:** ALL trusts, including living trusts, are submitted to the DWSS Attorney General (DAG) for review and a determination of availability and accessibility; however, if the person is currently receiving income from the trust, it is countable.

**306.45 Unemployment Insurance Benefits** *Unearned - Count*

Unemployment Insurance Benefits (UIB) is an allowance of money paid, usually weekly, to an unemployed worker by a state or federal agency, or by the worker's labor union or former employer, during all or part of the period of unemployment. Count the gross benefit less any amount being recouped for a previous UIB overpayment.

**Note:** Child support judgments against UIB payments are not considered an overpayment recoupment. However, a deduction may be allowed MS 302.

**306.46 Vendor Payments** *Unearned - Exempt*

A payment made by a person or organization outside the household directly to the applicant's creditor or person providing the service.

**Exception:** Count payments made by the NCP directly to the applicant's creditor or person providing a service in lieu of child support payments. Refer to MS 306.5.

**Example:** Applicant and NCP have a mutual agreement that NCP will pay the applicant's rent in lieu of pay child support. Because the applicant has the legal right to child support payments, the money the NCP is paying for rent would be considered the child support payment and is counted.

**306.47 Veteran's Administration Benefits** *Unearned - Maybe*

Veteran's Administration (VA) Benefits are a monetary benefit paid to a person who has served in one of the United States military branches. Count the gross benefit less any amount being recouped for a previous overpayment.

**Exception:** Exempt all educational benefits

**Note:** Do not count VA benefits which a member of the childcare household is entitled to receive, if the benefits are paid to someone outside the home and the benefits are not made available to the household member.

**306.48**      **Victims of Nazi Persecution Payments**      *Unearned - Exempt*

Payments made to individuals because of their status as victims of Nazi persecution.

**306.49**      **Wages, Salaries and Commissions**      *Earned - Count*

Money earned through paid employment. The payment can include salary, commissions, vacation and/or sick allowances, fees, bonuses, back pay and fringe benefits.

All money earned through employment must be counted as income. Gross wages must be budgeted and any money deducted from the gross income and paid to a third party for taxes, insurance or other fringe benefits are counted as income. Any amount reported on the pay stub or elsewhere as *taxable gross wages* is countable.

**Exceptions:**

- Exempt wage income for a minor parent who is attending school to acquire a high school diploma or a GED.
- Exempt wages received by a sibling; refer to MS 216.1 for definition of sibling.
- EITC received with wages from an employer must be deducted from gross earnings prior to the income deduction being given.

**306.49.1**      **Definitions**

- **Advance** – a payment of wages made ahead of the normal pay date.

Wage advances are budgeted when received, and are deducted when the employer deducts them from gross pay.

- **Bonus/Incentive Awards** – additional compensation given to an employee above his/her normal wage. A bonus/incentive award can be used as a reward for achieving specific goals set by the company, or for dedication to the company.

If a bonus/incentive award is received on a regular monthly basis or on regular paydays, include in the 30 day best estimate. If the bonus is received monthly, quarterly, semi-yearly or yearly, include in the best estimate of annual income..

- **Commissions** – money paid based on a percentage of the sales that the employee makes.

If a commission is received on a regular monthly basis or on regular paydays, include in the 30 day best estimate. If the commission is received monthly, quarterly, semi-yearly or yearly, include in the best estimate of annual income..

- **Fringe Benefit** – the benefits, other than wages or salary, provided by an employer for employees (e.g., health insurance, vacation and/or sick time,

disability income, paid holidays) received by an employee in addition to regular pay.

If the employer pays the fringe benefit directly to the source (insurance carrier, child care provider, etc.) the benefit must not be included in the household's countable income. In addition, if the employee has a choice on whether or not they receive the benefit, it must not affect their benefits if it is rejected or accepted as long as it is sent directly to the vendor.

If the employee receives any portion of the additional benefit in their paycheck or in addition to their paycheck, it must be considered countable income.

**Note:** Do not include meals as income unless the meals are included in the taxable gross.

- **Overtime** – payment, usually at a higher rate, for time worked beyond the normal hours of employment

Budget income from overtime in the best estimate if is verified to be received on a regular monthly basis or is included on at least half of the pay stubs provided.

**Note:** Do not budget income from overtime in the best estimate if it is verified it will not be received on a regular basis.

**Example:**

Client is paid bi-weekly and provides two pay stubs with overtime on one pay stub; YTD totals on the pay stub and discussion with the client confirms overtime is not received regularly.

- **Salary** – a fixed amount of money or compensation paid to an employee by an employer in return for work performed.
- **Tips** – A gratuity (also called a tip) is a sum of money customarily tendered to certain service sector workers for a service performed or anticipated.

**Note:** If the tip compliance amount noted on the pay stub is less than the applicant's and/or employer's statement, the applicant/employer statement should be used when determining the tip income.

- **Wages** – Money paid for labor or services to a worker; payment is based on an hourly, daily, or weekly basis or by the piece (paid for each unit produced or action performed).

### **306.49.2 How to Verify Employment Earnings**

Verification can be in the form of (not all inclusive):

- Pay stubs;
- Employment Verification, form 2186-WC;

- The Work Number;
- Statement from employer.

If an employer statement does not provide sufficient information to accurately determine the individual's ongoing income, the case manager must contact the employer for clarification.

When contacting the employer or hiring personnel directly, the contact person's name, title, date of contact, telephone number and all other pertinent income/employment status information (e.g., termination or beginning date of employment, type of position, days and hours of work, full-time or part-time employment, hours and hourly rate of pay, pay days, frequency of pay, bonus or commission pay, anticipated changes) must be documented in the computer system.

If the employer statement does not provide sufficient information to accurately determine the individual's ongoing income and the case manager is unable to contact the employer for clarification, the case manager must use the client's pay stubs to determine the household's ongoing benefit amount.

### **306.50**      **Workers' Compensation**      *Unearned - Count*

A form of insurance required from employers that provides money as compensation for workers who are injured at work or contract an occupational disease.

### **306.51**      **Workforce Investment Act of 1998 (WIA)**      *Unearned - Exempt*

A United States federal law passed August 7, 1998, which was enacted to replace the Job Training Partnership Act (JTPA) and certain other federal job training law with new workforce investment systems (or workforce development). It represented an attempt to induce business to participate in the local delivery of Workforce Development Services. The principal vehicle for this was Workforce Investment Boards (WIBs) which were to be chaired by private sector members of the local community. A majority of board members were also required to represent business interests. Today, WIA funds can be used to fund workforce education and career pathways programs.

## **310**                      **BUDGETING**

A procedure used to determine eligibility by calculating income and deductions of any person who is a required member of the household. Case managers should use a budgeting method which provides the most accurate reflection of the household's *Annual* income converted to a monthly amount. The method used and the reasoning for the method used must be documented in the computer system.

### **310.1**                      **Definitions** - The following terms are used:

**Best Estimate Budgeting:** A process used to determine eligibility and subsidy percentage amount of benefits based on the best estimate of income and circumstances which will exist in the certification period month(s) a child care subsidy is authorized.

**Prospective Eligibility Budgeting:** A projection of income, household composition and other circumstances anticipated to exist in the certification period benefit month based on verified data or the best information known at the time the eligibility/benefit determination is made.

**Actual Income Budgeting:** Actual income is income that has already been received. Actual income is used in best estimate budgeting if it provides the best representation of the anticipated monthly income. Overpayment calculations involve budgeting actual income and evaluating circumstances which existed during the month in question.

### **310.2 General Income Budgeting Tips**

To compute income, use one of the following methods, which most accurately reflects the best estimate of the household's income for the certification period:

- Actual income (income that has already been received); or,
- Projected income (the "best estimate" of income which is anticipated to be received).

Unless specified in an income manual section (i.e. child support, self-employment, contractual, or seasonal) use the budgeting methods described in this section.

Income is budgeted for the certification period and converted to a monthly amount. Documentation of the factoring method used in the eligibility determination must be recorded in the computer system.

Regular monthly income automatically deposited directly into a financial institution (e.g., RSDI, SSI, VA, retirement pension) is considered received in the month it is for.

**Example:** RSDI (Social Security) benefit for May is direct deposited April 28. The payment is budgeted as income for May.

When an individual receives and returns a check to the issuing agency, determine whether to budget the payment using the following guidelines:

- If there is evidence the check was incorrectly paid and it is verified the check was returned, do not budget the amount as income.
- If the check was correctly paid and was voluntarily returned, budget the amount as income in the month received.

Unless listed in MS 302, the gross figure cannot be reduced by any deduction, voluntary or involuntary, such as child care deductions, insurance premiums, deductions for judgments, garnishments, federal taxes, etc.

### **311 How to Convert Income to Monthly Amounts**

If necessary to manually convert income, which is not received monthly, to monthly amounts, use one of the following factoring methods:

- Multiply the average weekly income by 4.3
- Multiply the average semi-monthly income by 2.  
**Note:** a semi-monthly average can only be used if actual paystubs are provided. If an Employment Verification Form (EVF) or employer statement is used, multiply the average weekly income by 4.3.
- Multiply the average bi-weekly (received every other week) income by 2.15.
- Divide yearly income by 12.

If an additional anticipated payment is received outside the regular payment cycle, add this amount to the regular converted amount.

**Example:** Household member is paid weekly, however receives a tip check once per month. The weekly income would be converted to a monthly amount and the tip income would be added to this monthly amount.

Anticipate income using the best available information. If income is ongoing, but the amounts fluctuate, it is best to anticipate by averaging income from past pay periods.

Always document your reasons for the methods used to budget income into the computer system case narratives.

### **312 Best Estimate Based on Projected Income from New Employment or an Employer Statement**

Projected income is the “best estimate” of income which is expected to be received. Use the following procedures if the household has new income from employment and there is not enough history from which a monthly amount of income can be accurately projected or if an employer statement is provided

1. Determine the estimated number of hours to be worked per week. If the employer states the individual will work a range of hours, the case manager must average the hours to determine the approximate hours the individual will be working (e.g., the employer states the individual will work between 35 and 40 hours per week; the case manager must use 37.50 hours ( $35 + 40 / 2 = 37.50$ ) in the computation).
2. Estimate weekly gross income by multiplying the weekly estimated hours by the hourly wage.
3. Determine the monthly projected gross income by multiplying the estimated weekly gross income by 4.3. If verification substantiates the use of a specific factoring method which is more accurate than multiplying weekly gross income by 4.3, use what will accurately reflect the income to be received. The budgeting method used must be documented in the computer system.

**Example:** Employer statement verifies the client works 30-35 hours per week, at \$7.75 per hour. Wages would be calculated as:  $30 + 35 = 65 / 2 = 32.5$  (average hours per week)  $\times \$7.75 \times 4.3 = \$1,083.06$

If verification of tip income is included on the EVF or employer's statement, use steps above to determine the anticipated monthly tip income.

**Example:** Client above also earns \$10-15 per shift in tips and works 5 days per week. Tips would be calculated as:  $10+15=25/2=\$12.50$  (average tips per shift) x 5 (number of shifts per week) x 4.3 = \$268.75.

Total income for the client for wages/tips =  $\$1083.06 + \$268.75 = \$1,351.81$ .

### **313 Best Estimate Based on Actual Income**

Actual income is income which has already been received. Anticipate income using the best available information. Use the household member's pay stubs as verification of income when the following circumstances exist:

- The employer does not provide verification of income; the employer may use The Work Number or other agency as verification of employment. This is acceptable verification; however, the appropriate 30 or 60 day history must be included on the printout; or,
- The employer verification does not provide sufficient information to accurately determine the individual's ongoing income and the case manager is unable to contact the employer for clarification; or,
- The individual receives bonuses or commissions on a regular basis (weekly, bi-weekly or monthly); If the commission or bonus is received quarterly, semi-yearly or yearly, it must be counted in the month it was received. If the employer states the individual receives a bonus quarterly, the income is calculated in the actual month the client received the bonus; or,
- An overpayment/underpayment is being calculated for a past period *and* the original "best estimate" of income is incorrect; or,
- Any other time the case manager needs additional information to determine the household's countable income.

If the application reflects current ongoing income, a 30-day history of income can be used to determine monthly income. The 30-day period begins the day prior to the application date stamp and extends back 30 calendar days. In those instances when a 30-day history does not provide a clear representation of the household's income, a history of up to 365 days should be evaluated. This includes households with irregular or sporadic income (day labor, on-call, temporary employment services).

Calculate the monthly income amount using verified gross income received in the 30 day period (or longer) and convert the income to a monthly amount using the

appropriate factoring method. The monthly income calculated using the 30 day period (or longer) will be budgeted to the application month and to all ongoing benefit months.

**Exception:** Do not include income from a terminated source. Do not include income received from a new source which is less than a full pay period.

**Example:** The pay period is 4/1 to 4/7 and client is hired and starts work on 4/5. Do not include this pay stub as it does not provide an accurate representation of the client's income.

### 314 Irregular Income

When converting and projecting earnings to a monthly amount do not include holiday pay and/or vacation/sick pay unless it is received in lieu of regular pay.

### 315 On-Call Employment

Income from on-call employment, such as banquet waitress, culinary union, or casual labor, etc., is treated as monthly income when it fluctuates or is irregular or sporadic. Use a pay history (if available) and divide the total by the number of months it covers to project monthly income. If the pay history includes a month with no income and the member was on call, use the month with no income in the average.

**Note:** Include pay periods with zero income into the factoring for on-call employment. Add all of the amounts together and divide by the number of pay periods that fall within the pay history period including the period with no income, and then multiply by the appropriate frequency to get the correct amount.

If income from on-call employment is received on a regular basis (e.g., 3 days per week, 80 hours per month), use normal budgeting procedures.

If income is received sporadically (e.g. day labor) throughout the month and not on a fixed pay frequency, add all of the amounts received in the 30-day period and use that figure as the total amount. If you use more than a 30 day history of sporadic income, add all of the amounts together and then divide by the number of months it covers to get a monthly amount.

### 316 Budgeting Steps

#### First Step

The maximum income is established based on the number of household members (see Income Limits and Subsidy Percentages chart, MS 170).

#### Second Step

Determine the gross income based on all countable income, less any allowable deduction(s), received by the household. Round the gross monthly income to the nearest dollar (i.e., 0-.49 round down, .50-.99 round up).

**Third Step**

Compare the gross countable income to the Income Chart (see MS 170) based on the appropriate household size. To the right of the income is the Percentage Paid field. This is the percentage the Child Care Subsidy Program will pay; this is the subsidy amount. If the gross countable income exceeds the 85% of Nevada's median income, deny/terminate the household.

**320 ASSETS**

The asset limit is \$1,000,000 (one million dollars). If a household reports assets in excess of \$1,000,000, the household is not eligible for child care assistance. Until further clarification from the Administration for Children and Families (ACF), Office of Child Care (OCC) is received, cases will be evaluated at the supervisor/manager level if excess assets are reported.

# Purpose of Care Categories

## 400 PURPOSE OF CARE

To be eligible for a child care subsidy, the applicant and all other required adult household members and minor parents must be participating in an eligible activity or Purpose of Care (POC). For the Child Care and Development Program, POC is defined as one of the activities listed in this section.

When determining eligibility, the case manager must evaluate eligibility for all group sets under each POC category before approving or denying the application.

Subsidy benefits are paid according to the parent/caretaker's verified schedule for an eligible POC. For a two-parent/caretaker household, evaluate both parents'/caretakers' schedules and allow subsidy coverage for the overlapping schedules only.

Additional requirements and/or exceptions are listed for each POC category. In addition to meeting these requirements, the household must also meet the non-financial requirements in MS 200 and income requirements detailed in MS 300, unless otherwise noted in this section.

## 410 DWSS TANF NEON Program

The DWSS NEON program is a work program for households with at least one work-eligible individual. Applicants who have applied for or are receiving assistance from one of the qualified TANF Cash Programs listed below are eligible for child care subsidy under the NEON POC category. The applicant may be a parent or other relative caretaker.

Eligible TANF Cash Programs are:

- NEON Program (TN): TANF household with one work-eligible parent. The household may include two parents; however one is not required to participate in the NEON program. For two-parent households purpose of care may be required for both parents.

**Examples:**

One-parent household

Two-parent household – one parent SSI Recipient

Two-parent household – one parent ineligible non-citizen

Two-parent household – one parent is a step-parent who is not NEON eligible

For households with two parents but only one is mandatory to participate, a completed NEON Child Care Referral form is required for the mandatory parent only.

Child Care staff must verify the parent who is not receiving NEON TANF has a valid POC or a reason that parent cannot care for the child(ren).

- NEON 1 Program (TN1): TANF household with two work-eligible parents however, one parent is disabled. Verification from a physician or qualified

medical professional verifying the individual's inability to provide care for the child(ren) must be provided.

**Examples:**

Two-parent household – one parent pending a disability determination by Social Security Administration.

Two-parent household – one parent temporarily disabled as verified by a physician or qualified medical professional.

A completed NEON Child Care Referral form is required for the non-disabled parent only.

- NEON 2 Program (TN2): TANF household with two work-eligible parents. One or both parents may be disqualified household members but are still work-eligible.

**Examples:**

Two-parent household – one parent disqualified for non-cooperation

Two-parent household – both parents disqualified for IPV

A completed NEON Child Care Referral form is required for each parent in a two-parent household.

**Note:** If job search is the approved NEON activity, Child Care staff must ensure there is justification for why one parent/caretaker cannot care for the child while the other is seeking employment. The justification must be documented in the case notes.

- Temporary Program (TP): The Temporary Program is limited to receiving no more than four months of payments designed to meet an immediate episode of need, such as flood, earthquake, etc. This program can be a one or two-parent household. A completed NEON Referral form is required for each parent in a two-parent household. Child care cannot exceed four months of coverage under this program per episode.

**Exception:** Applicants must be receiving TANF cash under the Temporary Program to qualify for child care assistance. If an applicant is pending TANF cash under the Temporary Program, reject the referral and notify the DWSS case manager. Refer to MS 100 for information on NEON Referrals.

#### 411 Additional Information

- A completed NEON Child Care Referral form must be received for each parent/caretaker as appropriate. Refer to MS 100 regarding criteria for a completed NEON Child Care Referral.
- For the NEON POC, the specific details of the activity are not required as the activity is monitored by DWSS Child Care staff.
- Individuals will not be eligible for NEON job search activity during school hours if the only eligible child(ren) is school age (6- to 12- years old) or has special needs (13- to 19- years). However, part-time child care is allowed to cover before and after school hours if required NEON participation hours are greater than school hours. Child care assistance for job search for child(ren) not in school (e.g., summer break, track break, holidays.) will be allowed.

**Exception:** Subsidy assistance for job search is allowed if a child is enrolled and attending part-day kindergarten.

- Certificates are issued per the start and end dates requested on the NEON Child Care Referral and cannot exceed 90 days.

**Note:** The application date entered in the computer system for NEON referrals must be either the start date on the referral or the date care is requested to begin, whichever is later. Do not use the referral date or the application date stamp date for NEON referrals.

- Non-financial and financial eligibility factors which are verified by DWSS Child Care staff are not required to be re-verified by Child Care staff. However, once the applicant is no longer eligible under the NEON Activity category, all non-financial and financial eligibility factors must be verified. The following chart confirms which eligibility factors are verified by DWSS case managers.

ELIGIBILITY FACTOR	TANF-NEON PROGRAM	TEMPORARY PROGRAM
Age	Yes	Yes
Special Need	No	No
Identification	Yes – See Exception below	Yes – See Exception below
Social Security Number	Yes	Yes
Citizenship	Yes	Yes
Immunization	Yes – See Exception below	Yes – See Exception below
Relationship	Yes	Yes
Custody	Yes	Yes
Residency	Yes	Yes
Household Composition	Yes	Yes
Purpose of Care	Yes	Yes
Child Support	Yes	No
Income	Yes	Yes

**Exceptions:**

Identification – all applicants and authorized representatives must provide identification at application

Immunizations – Immunization records are maintained by all providers; therefore, verification is not required to be maintained in the case file. Refer to MS 600 for additional information on immunization records.

**420 WORKING**

Applicants may be eligible for child care subsidy while they are working. This includes travel to and from their employment. To be considered *working* the individual must receive monetary compensation for their services. Refer to MS 300 for information on individuals who claim no compensation for a period greater than 30 calendar days.

**Note:** Individuals who are working in exchange for a benefit (income in kind) may be eligible for child care. The CCDP DWSS Child Care Chief will evaluate these cases via a special consideration request.

**421 Additional Information**

- Travel time is allowed for individuals to commute to and from work; however, it must not exceed 60 minutes each way.
- Eight hours of sleep time is allowed for individuals who work a graveyard shift when there is not another parent/caretaker available to provide care during that time period. Sleep time should only be allowed for parents/caretakers of non-

school age children unless the school age children are on summer or track break. Clients must choose either care for sleep time or care for employment; care cannot be subsidized for both.

**Note:** Graveyard shift = shift starts between 9:00pm and 4:00am.

- A client with a working POC is allowed to use subsidy assistance if required to attend court. A copy of the applicable court document must be provided as verification.

### 430 JOB SEARCH

Job search is defined as an activity that demonstrates an individual is actively seeking potential employment. Job search purpose of care is subject to available funding and may not be offered. The CCDP Chief makes this determination and notifies the Child Care offices. Qualifying job search activities include:

- Completing applications in person or on-line computer applications; or
- Interviews; or
- One-time resume preparation; or
- Employment preparation (testing, sheriff's card, purchasing appropriate work clothes, etc.).

Applicants, including foster and CPS households, may be eligible for child care while seeking employment.

### 431 Additional Information

The following guidelines apply to individuals who participate in the Child Care and Development Program Job Search.

- Child Care Job Search is limited to 4 weeks in a calendar year (January through December).  
**Note:** The job search start date can start on any day of the week. The 7-day (week) period will be determined by the start date entered in the computer system. Child Care staff must work with the client to determine what start date best suits the needs of the client.
- Certificates can be issued up to a maximum of 4 weeks each time the household is eligible for job search. To allow flexibility during the job search period the Certificate schedule should allow for a maximum 5 full-time-days with a varied schedule.  
**Note:** The 4-week time period is tracked in the computer system. If the provider bills and is paid for at least 1 day of service during an approved week, the computer system applies a full week of job search as used.
- Households will not be eligible for job search if the only eligible child(ren) is school age (6-to 12-years) or "special needs" (13-to 19-years). The job search can be done while the child(ren) is in school. If the child(ren) is not in school, (e.g., summer break, track break, holidays) job search will be allowed.  
**Exception:** If a child is enrolled and verified to attend part-day kindergarten, coverage can be provided for job search.

- Individuals must sign the Job Search Eligibility form which informs them of all job search requirements.
- If employment is secured during the job search period, or within 45 days of completing an approved job search period, the household may qualify for continued services as long as all other program guidelines are met. Refer to MS 100 regarding exceptions to wait list placement.
- Providers must be reimbursed based on the number of authorized days the child was in care.

## TWO PARENT/CARETAKER HOUSEHOLDS

Two parent/caretaker households may be eligible for job search activities, if one of the parents/caretakers is unable to care for the child due to their activity schedule (e.g., one parent is working during the day when most employers are open for business and/or conducting interviews).

If both parents/caretakers are requesting job search, justification for why one parent/caretaker **cannot** care for the child while the other is seeking employment must be provided. The extenuating circumstances must be examined and approved by the case manager prior to authorizing benefits.

### **440 Homeless Self Sufficiency Plan**

A homeless self-sufficiency plan is a plan created by the household to help them work towards regaining housing and meeting other needs in regards to food, utilities, transportation, clothing, and child care with minimal or no assistance or subsidies from others.

Homeless households may be working with another agency or organization to help them regain housing and to become self-sufficient. Other homeless households may have their own plan and are working independently.

All homeless self-sufficiency plans will be discussed with the CCDP Chief and approval will be determined on a case by case basis.

### **450 STUDENT**

Student POC is a category for minor parents who are attending school to acquire their high school diploma or their GED. Minor parents can be part-time or full-time students who need child care while attending school. As long as school is the primary POC category, the minor parent may qualify for additional child care services under another category (i.e., working).

Minor parents must qualify under another eligibility category if they have graduated high school or received their GED.

### **451 Additional Information**

- A schedule of classes from the school must be submitted for verification of the schedule.

- Travel time is allowed for minor parents to commute to and from class/school; however, it must not exceed 60 minutes each way.
- Study time is allowed for up to 2 hours per day, as long as it is on the same day for which care is already authorized per the minor parent's class schedule. Additional days will not be authorized for the sole purpose of studying.
- The length of the certification period must not exceed the end date of the school period according to the minor parent's enrollment (e.g., semester, quarter).

#### **460**            **DISABILITY**

Applicants who have a disability can request child care subsidy during the disability period, as long as they have someone else to care for the child when the child is not in daycare.

**Example:** The spouse or other responsible adult individual in the home of an individual who is disabled is employed during the day, but can care for the children before and after work.

If the household does not have anyone else to care for the children, they are ineligible for benefits under this POC. In addition, if circumstances warrant concern for the care and safety of a child a referral must be made to Child Protective Service (CPS) by submitting the CPS & Child Care Licensing Report form.

#### **461**            **Additional Information**

- A disability is defined as an incapacity or health condition, which severely limits the individual's ability to care for the child. The household must provide verification from a physician or qualified medical professional verifying the individual's inability to provide care for the child(ren).
- Approval requests for the Disability category must be sent to the CCDP DWSS Child Care Chief. The DWSS Child Care Chief will provide a decision to appropriate Child Care staff. DWSS program Child Care staff or supervisory Child Care staff will update the system with the approval/denial decision.
- For short term disability the length of certification depends on the statement from a doctor which must indicate the start and anticipated end date of the disability
- The certificate schedule may vary depending on the purpose of care schedule for the alternate caretaker.

# Updates & Terminations

## **500 UPDATES & TERMINATIONS**

### **501 Introduction**

Changes are situations that occur in a household, which may affect eligibility or the subsidy percentage the Child Care Program will pay on the client's behalf. Action must be taken on reported changes to ensure program integrity is maintained by issuing benefits timely and accurately and maintaining Quality Control tolerance levels.

### **502 Adverse Actions Requiring Advanced Notice to Clients**

After approval, clients must be notified in writing, **ten (10) calendar days** in advance of the effective date, whenever adverse (negative) actions are about to occur to their benefits. The day after the notice is sent is the first day of the ten (10) day period. Exceptions are listed later in this section.

**EXAMPLE of Adverse Required:** The case manager takes an action on 1/8 that decreases a client's subsidy and sends a Notice of Action the same day. The effective date of the subsidy decrease would be 1/19.

Examples of adverse actions are (not all inclusive):

- An increase to the household's co-payment.
- The client's subsidy benefits are reduced/terminated (some exceptions apply. Refer to manual section 502.1).

#### **502.1 Adverse Actions Not Requiring Advanced Notice - Notice of Action Is Required**

In the following situations, advanced notice of the adverse action is not required, however, a Notice of Action must be sent to the household.

- The household requests reduction or termination.
- It is verified that a NEON funded household member is in noncompliance with NEON requirements.
- It is discovered that a household member's purpose of care for which they were certified changes or no longer exists.

**Note:**

- If employment has ceased, the individual may be eligible for job search through the Child Care Program. The client must report their change in circumstances within ten (10) calendar days from the date the employment ceased and has not used child care during the time between the employment ending and approval of child care for job search. Refer to manual section 421 for additional requirements.
  - If a client becomes employed while approved for job search subsidy, eligibility must be evaluated and the certificate will be updated appropriately without advance notice; The certification period can be extended but must not exceed a total 6 months.
  - If a client has changed jobs or other approved activity and an interruption in purpose of care does not exceed five (5) business days (Monday through Friday) the certificate can be continued up to a six month maximum. However the subsidy benefit must be evaluated with the new circumstances and if a decrease/termination is appropriate, advance notification is not required for this adverse action.
- A student drops below the minimum credit requirements.
  - A household member has been found guilty of an intentional program violation (IPV).
  - It is verified, or another state verifies the household or a household member is residing in another state.
  - The parent/caretaker is deceased and no other caretaker is available.
  - An eligible child is removed from the home by court order or voluntarily placed in foster care.
  - A child becomes ineligible due to age (child turns age 13, or 19 if designated as special needs).
  - A child's care level changes.
  - The household's funding category changes.
  - The household receives a lump sum which renders the client ineligible or reduces the subsidy benefit for 30 consecutive days.
  - the household's address is unknown and mail has been returned by the post office; or information verifies the household is no longer at the address last provided and a new address is not known.

- Written information is provided which requires termination or reduction of benefits and a signed written statement is received from the household stating they understand the consequence of supplying the information.

**502.2 Adverse Actions Not Requiring Advanced Notice - Notice of Action Is Not Required**

A Notice of Action is not required when the state or federal government initiates a mass change which affects the entire caseload or significant portions of the caseload. Households may not appeal mass changes.

**Example:** The federal government changes the poverty level or median income levels.

**510 REPORTING REQUIREMENTS**

**511 What to Report**

Households are advised of their responsibility to report all changes that occur in the household after application, such as (not all inclusive):

- Household composition;
- Anticipated or planned absences of a household member (visitation, hospitalization, deployment, etc.);
- Marital status, or reconciliation with the absent parent;
- Custody agreements;
- Residence and/or mailing address;
- Receipt of a lump-sum payment;
- Child care provider;
- Purpose of Care Schedule;
- Earned income changes;
  - Change of employer
  - Starting/stopping a job
  - Promotion and/or increase in hourly or salaried wageChange from full-time to part-time or part-time to full-time for employed household members. **NOTE:** Part-time employment is employment which is less than a weekly average of 30 hours. Full-time employment is employment with a weekly average of 30 hours or more per week. To determine the weekly average, divide total hours worked in the month by 4.3.

**Exception:** This does not apply to salaried employees, whose salary does not fluctuate based on number of hours worked.

- Unearned Income Changes
  - The source of the income
  - Changes of more than \$50 within the last thirty (30) days
- Any other circumstance or anticipated change, which may affect eligibility or benefit amount.

These changes may require a new certificate be issued; however, the original end date of the certification period must not change unless a new purpose of care requires it (i.e., job search, semester end date, etc.), the change caused total ineligibility (i.e. over income, etc.), or it is discovered the certification period end date was incorrectly authorized.

### **511.1 Reporting Purpose of Care**

Clients may not utilize child care benefits if the approved purpose of care no longer exists. The client has signed the Program Penalties, form 2165-WC, which states if the client utilizes services on days when the approved purpose of care does not exist, the client is committing an intentional program violation (IPV), regardless if the client reports it or not.

### **512 Timeframes for Reporting Changes**

During the eligibility interview, the applicant must report changes that have occurred within the household since the date the application was filed. All changes must be reported immediately from the date of application to the date of approval. After approval, all changes must be reported within ten (10) calendar days from the date the change occurred.

If it is discovered the household has failed to report or untimely reported a change, the case manager must evaluate for possible overpayment of benefits and send the Timely and/or Accurately Reporting form, 2184. This form is provided as a courtesy to the client one time only. If the client fails to report or untimely report after receiving form 2184, the case manager should evaluate for an IPV. Refer to section 800 for IPV information.

### **513 How to Report**

Household members or their authorized representative (AR) may report changes in person, by telephone, fax or through the mail.

**NOTE:** Changes reported by fax or through the mail must include the case name and Social Security number.

**514 Receipt of Reported Changes**

When a household reports a change any verification received by the Child Care Program office must be date-stamped with the current date by the staff member accepting/receiving the documents.

**NOTE:** Receipt of third-party calls or verification reporting changes may also be used. Third-party calls reporting changes need clarification and/or supporting verification before impacting eligibility and/or subsidy benefits.

**515 Loss of Contact**

If mail is returned with no forwarding address, staff should check the address for accuracy and try to substantiate residence or loss of contact (LOC) through verification. A termination action can be taken based on this information. The case notes must contain clear and complete documentation of the actions taken or verification received to support the LOC action.

**520 PROCESSING REQUIREMENTS**

Upon receipt of a reported change, the case manager must ensure the following actions are completed:

- Date stamp the reported change document with the date the information is received by the Child Care Program office; or if a change is reported by phone, document in the computer system:
  - The reported change; **and**
  - The date the change occurred; **and**
  - Who reported the change; **and**
  - The date the change was reported;
- Identify all related cases affected by the change;
- As applicable, transfer the information to the correct case manager, if the case is located elsewhere;
- Review the change to determine the effect on the household's subsidy benefits;
  - If the case can be updated without additional verification, update the case within ten (10) calendar days from receipt of change. If the subsidy is decreased or terminated, as applicable per manual section 502 allow the ten (10) calendar day adverse period.
  - If verification is required to update the case, request the information via a Request for Information (RFI), form 2156-WC allowing the client ten (10) calendar days to provide the verification. When the due date falls on a weekend or holiday, the due date is the next working day.

**NOTE:** If the required verification is not provided, benefits must be terminated immediately. Advance notice is not required as notice was given at the time of the request for information.

- Notify the household of any increase/decrease/termination with a Notice of Action, form 2158-WC. For increase or decrease of subsidy benefits a new Certificate is required.

**521 Care Level Changes Due to a Child's Birthday**

When a child has a birthday which necessitates a care level change, the child's care level must be updated effective the day the child becomes eligible at the new rate and a new certificate issued to the client and provider for their records. The client must also receive a Notice of Action, which informs them of the changes in the benefit amount. The end date of the new Certificate must not exceed the end of the original Certificate period, but may be shorter if the change necessitates it (i.e. the child turns 13 or 19 with a special need).

**522 Moves Within the State**

If a household moves to an area covered by the same program office but different site location, the case must be transferred to the appropriate site location and must remain in an open status. Any necessary verification should be requested to be returned to the new office.

If the client moves out of the local service area to an area served by a different Child Care Program Office, benefits must be terminated. The client must reapply for benefits with the new program office.

**523 Mass Changes**

The state or federal government initiates changes which affect all or a large number of households. The household is not required to report these changes.

Mass changes generally occur in:

- the income eligibility standards; or
- the state maximum provider rates; or
- other eligibility criteria based on legislative or regulatory actions.

Some mass changes, such as the income standards, are updated automatically and benefits are adjusted effective the date of the change. In some cases, mass change cannot occur. These cases will require case manager intervention and must be updated manually. Mass changes may be applied to the household on a flow basis (i.e., reapplication or the next time the case is reviewed), unless otherwise specified.

**530 CHANGES AFFECTING BENEFITS**

Changes to the funding/eligibility categories, providers, schedule, subsidy percentage, etc., may require a new Certificate to be issued; however, the original end date of the certification period must not change unless the new purpose of care requires it (i.e., job search, semester end date, etc.), or it is determined the case was approved in error and benefits must be terminated.

Receipt of third-party calls or verification reporting changes may also be used. Third party calls reporting changes need clarification and/or supporting verification before impacting eligibility and/or subsidy benefits.

When a change is reported that is questionable or conflicts with information already in the file or information from another source contradicts statements made by the household, the case manager must attempt to resolve the issue prior to approving eligibility. The household must be provided an opportunity to resolve any discrepancy by providing proof or designating a suitable collateral source. The case manager must include case notes in **the computer system** regarding the clarification received.

**531 Addition of Required Household Members**

Re-determine eligibility when a required household member moves into the home or a household member already in the home becomes a required household member and adjust subsidy benefits accordingly. Overpayments and underpayments are made if the member is not added timely.

**531.1 Timely Reporting**

If the addition of the required household member results in an increase to the subsidy benefit, the adjustment is made effective the date the household member moved in or became a required member. Verification is required prior to increasing the subsidy benefit.

**EXAMPLE:** Client has a child not related to her living with her. On 2/10, the client reports she has adopted this child and it was final on 2/2. The case manager requests a copy of the adoption papers on 2/12 which client provides on 2/20. The child is added to the case and the subsidy increased effective 2/2.

If the addition of a required household member results in a decrease to the subsidy benefit, the case manager must act on the change within ten (10) calendar days whether or not it is verified as long as enough information is provided to update the case (i.e. income etc.). If there is not enough information provided, verification must be requested allowing the client ten (10) calendar days to provide the verification. When the due date falls on a weekend or holiday, the due date is the next working day. Additionally, ten (10) calendar day advance notice of the adverse action is required when decreasing the subsidy.

**EXAMPLE:** Unmarried couple living together. On 11/27 the client reports they got married on 11/23. On 11/28 the case manager requests verification of the spouse's income. On 12/4 client provides the verification and on the same day the case manager updates the case and sends a Notice of Action reducing the client's subsidy effective 12/15.

If the verification needed to add a required household member is not provided by the date requested, benefits must be terminated for the entire child care household.

**NOTE:** Advance notice is not required as notice was given at the time of the request for information.

## **531.2 Untimely Reporting**

If the addition of a required member is not reported timely and the change results in a subsidy increase, verification must be received prior to increasing the subsidy benefit. The effective date of the change is the date all required verifications are received by the Child Care Program.

**EXAMPLE:** On 2/10, the client reports one of her children moved back in with her on 1/15. The case manager requests verification on 2/12 which client provides on 2/20. The child is added to the case and the subsidy increased effective 2/20.

If the change results in a subsidy decrease/termination and enough information is provided to update the case, the decrease/termination is effective allowing adequate notice of adverse action. If there is not enough information provided, verification must be requested allowing the client ten (10) calendar days to provide the verification. When the due date

falls on a weekend or holiday, the due date is the next working day. The case manager must update the case within ten (10) calendar days, making the reduction effective allowing advance notification of the adverse action.

**EXAMPLE:** On 11/27 client reports she got married on 9/12 and provides a statement regarding her spouse's monthly income. On 12/4 the case manager updates the case and makes the decrease in the subsidy benefit effective 12/15. Additionally an overpayment is evaluated from 9/23 (ten (10) days adverse) through 12/14.

**NOTE:** If the required household member is active in another household, they must be removed from the original household and added to the new household. If this is not reported timely, add the new member effective the date it was reported or discovered and overpayments will be calculated for the original household.

If information or verification needed to add a required household member is not provided by the date requested, benefits must be terminated for the entire child care household.

**NOTE:** Advance notice is not required as notice was given at the time of the request for information.

### **531.3 Underpayments/Overpayments**

If a client is due an underpayment it must be calculated:

- if reported timely from the date the required member moved in or became a required member; **or**
- if reported untimely, from date the required verifications are received

Reimbursements may be made directly to the client or through a subsidy credit with the provider. Resolution must be acceptable by all parties (Child Care Program staff, client and/or provider if applicable).

**NOTE:** If an underpayment is due when there is an existing overpayment balance, the entire amount of the underpayment is offset against the overpayment balance. **NO** underpayment may be issued against a closed case when there is an existing overpayment balance.

If the change resulted in the household receiving benefits they were not eligible for, the case must be evaluated for an overpayment and an Intentional Program Violation (IPV), if applicable.

Determine the period of overpayment using the following method:

- 1) Determine the date the household member became a required member or a required member moved into the home.
- 2) Add ten (10) calendar days for advance notice to this date.
- 3) The resulting date is the first day of the overpayment period.

**532 Changes Increasing Subsidy Benefits (Other Than Required Household Members)**

The effective date of the increase to the subsidy benefit is the date the change was reported by the client or the change was discovered/verified by Child Care Program staff and/or DWSS, regardless of when the change actually occurred. Verification of the change is required prior to increasing a subsidy benefit.

**532.1 Complete Report of Change**

If the household reports a change and all needed verification is received, the case manager must update the case and provide the household with a new Certificate and Notice of Action listing the changes.

**EXAMPLE:** Client reports on 12/13 that she changed jobs and her income has decreased and she provides a statement from her employer verifying her new income. On 12/22 the case manager updates the case increasing the subsidy effective 12/13.

**532.2 Incomplete Report of Change**

If the household reports a change without verification to update the case, no action should be taken until the reported information is verified. The case manager must send a Request for Information form, 2156-WC, allowing the household at least ten (10) calendar days to provide the needed information. The day after the request date is the first day of the 10-day period. When the due date falls on a weekend or holiday, the due date is the next working day. If the verification is received within the required time period, the effective date of the increase is the date the change was reported. If the verification is not provided, benefits must be terminated immediately.

**EXAMPLE:** On 12/8, client reports she is no longer working but she has gone back to school. The case manager sends an RFI on 12/18 to verify this information. The verification is received on 12/28. On 1/4 the case manager updates the case increasing the subsidy effective 12/8.

**NOTE:** Advance notice is not required as notice was given at the time of the request for information.

**Exception:** Victims of Domestic Violence approved for a fictitious address through the Secretary of State's CAP program must be allowed seventeen (17) calendar days to provide verifications due to mail forwarding.

### **532.3 Underpayments**

Normal budgeting rules must be applied when determining if an increase to a previously paid benefit month should be considered due to changes in the household. For all underpayments, the effective date of the change is the date it is reported by the assistance unit or the date the change is discovered by the Child Care Program or DWSS, regardless of when the change actually occurred.

If it is discovered that the Child Care Program staff made a mistake in determining the household's eligibility, which resulted in an underpayment, the household must be paid the difference. The underpayment must be calculated beginning on the date the incorrect decision was made. Reimbursements may be made directly to the client or through a subsidy credit with the provider. Resolution must be acceptable by all parties (Child Care Program staff, client and/or provider if applicable).

**NOTE:** If an underpayment is due when there is an existing overpayment balance, the entire amount of the underpayment is offset against the overpayment balance. **NO** underpayment may be issued against a closed case when there is an existing overpayment balance.

### **533 Changes Reducing/Terminating Subsidy Benefits (Other than Required Household Members)**

If a change reduces or terminates the subsidy benefit, determine the effective date by applying a ten (10) calendar day adverse period (refer to section 502) if applicable. Act on the change within ten (10) calendar days after the change is reported or discovered and send a Notice of Action to the client. Verification of the change is **not** required to decrease/terminate a subsidy benefit.

If a NEON funded client is terminated from child care subsidy, the Child Care case manager must immediately notify in writing the DWSS case worker and/or Employment & Training Specialist/Social Worker and the child care provider.

**533.1 Complete Report of Change**

If the household reports a change and provides enough information to reduce/terminate the subsidy benefits, the case manager must act on the change whether or not it is verified. The case manager must update the case within ten (10) calendar days, making the reduction/termination effective allowing adverse action, unless advance notice is not required as stated in manual section 502. Termination dates must not be backdated.

**EXAMPLE of Adverse Required:** Client reports on 10/2 that she received a \$1.00 per hour raise on 9/28. The case manager takes the action on 10/10 that decreases the subsidy and sends a Notice of Action to the client on the same day. The day after the notice is sent is the first day of the ten day adverse period so the effective date of the subsidy benefit decrease is 10/21.

If needed, the case manager must send a Request for Information, Form 2156-WC, allowing the household at least ten (10) calendar days to provide the needed information. The day after the request date is the first day of the 10-day period. If the verification is not provided, benefits must be terminated immediately.

**NOTE:** Advance notice is not required as notice was given at the time of the request for information.

**Exception:** Victims of Domestic Violence approved for a fictitious address through the Secretary of State's CAP program must be allowed seventeen (17) calendar days to provide verifications due to mail forwarding.

**533.2 Incomplete Report of Change**

If the household reports a change without sufficient information to update the case, the case manager must send a Request for Information form, 2156-WC, allowing the household at least ten (10) calendar days to provide the needed information. The day after the request date is the first day of the 10-day period. When the due date falls on a weekend or holiday, the due date is the next working day. If the verification is received within the required time period and advance notice of the adverse action is required, the effective date of the decrease/termination is ten (10) calendar days after the date the Notice of Action is sent. If advance notice of the adverse action is not required, the effective date is the day following the day the action is taken by the case manager. If the verification is not provided, benefits must be terminated immediately. (Refer to manual section 502.)

**EXAMPLE:** On 12/8, client reports she is no longer going to school but is now working. The case manager sends an RFI on 12/18 to verify the new income. The verification is received on 12/28. On 1/4 the case manager updates the case decreasing the subsidy effective 1/15.

### **533.3 Determining an Overpaid Period**

If the change resulted in the household receiving benefits they were not eligible for, the case must be evaluated for an overpayment and an Intentional Program Violation (IPV), if applicable.

Determine the period of overpayment using the following method:

- 1) Determine the date of the change.
- 2) Add ten (10) calendar days for advance notice, if applicable. (Refer to manual section 502.1, Adverse Actions Not Requiring Advance Notice).
- 3) The resulting date is the first day of the overpayment period.

**NOTE:** This process is not used for households that receive a lump sum. Refer to manual section 344 for further information.

### **534 Notification to the Household**

Clients must receive a Notice of Action, form 2158-WC, when changes are made to their case, regardless if the benefits have been increased/decreased. If the household's benefits have been increased or decreased, they must also receive a new Certificate.

#### **534.1 Notice of Action**

The Notice of Action, form 2158-WC, must advise the household the reason for the case record change, benefit increase/decrease amount and the effective date of such action.

**NOTE:** If a corrected notice is sent, a new adverse period is created. Action to deny or terminate benefits based on the original notice no longer applies.

**534.2 Certificate**

The original Certificate must be signed and dated by the case manager or program staff and kept in the eligibility case file and copies provided to:

- The applicant; **and**
- The provider; **and**
- The DWSS case worker/NEON case manager/Social Worker if the client is receiving TANF, Food Stamps and/or Medicaid assistance from DWSS.

**535 Changes Affecting Funding Categories**

If changes are reported in the middle of a certification period which necessitate the transfer of funding categories, benefits may continue without the client submitting a new application. However, if a NEON funded household is no longer eligible for NEON subsidy (i.e., TANF eligibility ceased) the case manager must independently verify all eligibility elements, via a Request for Information, form 2156-WC. If the client provides the information within the requested time period, the case manager must transfer the case to the new funding category and reallocate funds if necessary. If the client fails to provide the information, benefits must be terminated immediately.

If it is determined a household was served from an incorrect funding category, the client must be transferred to the correct funding category on the date which the Child Care Program staff receives the formal notification. If formal notification is not received, the change must occur on the date on which it is discovered by the Child Care Program staff. A reallocation of funds and an overpayment/underpayment for the co-payment responsibility for the past period is not required.

**Example:** If an At-Risk client is pending TANF and is later approved for TANF benefits, a new referral requesting the client receive a NEON funded subsidy is needed. The case manager must change the funding category to NEON beginning with the start date listed on the referral (as long as it is not prior to the issuance date). Child care benefits already received while the TANF decision was pending must not be reevaluated.

**536 Purpose of Care Changes**

If the client's purpose of care, for which they were certified, ceases, the household must be terminated immediately. However, if the client reports a change in purpose of care or a change in the purpose of care is discovered, the case must be evaluated with the new circumstances.

**EXCEPTION:** If the client is no longer eligible under the NEON funding category, the case must be denied/terminated and the client must reapply for benefits under another funding category.

During a break in purpose of care, the client must not have use subsidized child care. If it is determined that care was used, the child care staff must evaluate the case for an IPV and/or overpayment.

**Examples:**

- if employment has ceased, the individual may be eligible for job search through the Child Care Program. The client must report their change in circumstances within ten (10) calendar days from the date the employment ceased and have not used child care during the time between employment ending and the approval of child care for the job search. Refer to manual section 421 for additional job search requirements.
- if client becomes employed while approved for job search subsidy. The certificate can be updated appropriately without advance notice and extended but must not exceed a total 6 month certification period.
- a client has changed jobs or other approved activity;
- Students, whose school semester has ended, may be eligible for benefits the following semester without being placed on the waiting list as long as all other eligibility requirements are met at the time of reapplication.

If the student has an alternate purpose of care during the semester break, such as employment, benefits may continue under the appropriate eligibility and funding category until school resumes. At that time, the household would need to reapply and provide verification of their student status and schedule.

**537 Reserved**

**540 REAPPLICATIONS**

At-Risk and Discretionary funded households must re-qualify for benefits at the end of each certification period to continue to receive assistance. Refer to section 541 for information regarding reapplications for NEON funded households.

For certification periods greater than thirty (30) days, the household must be notified in writing prior to the end of the certification period they must reapply. The household must submit a new application for benefits prior to the end of the current certification period to be considered a timely reapplication.

If funding is not available and the household reapplies for benefits prior to the end of their current certification period and all eligibility requirements are met, they may receive continued benefits without being placed on a waiting list. If the household submits an application after the end of their certification period and funding is not available in the category for which they qualify, they may be placed on a waiting list.

Verification used to re-establish eligibility must be current (within the last thirty (30) days). The case manager must review the previous thirty (30) or sixty (60) days of income, whichever is appropriate per manual section 390, to project the future income. If the client is changing jobs or anticipates a change, their income must be projected as explained in manual section 393.

If all required verification is not received with the application, the household must be allowed at least ten (10) calendar days to provide the information. When the due date falls on a weekend or holiday, the due date is the next working day. If the information is not received within the requested period, the case remains terminated at the end of the original certification cycle and a Notice of Action (denial), form 2158-WC, must be sent to the household.

If the verification is received within the requested period and all other eligibility requirements are met, the case manager must take action on the application within ten calendar days from the date the verification is received.

**NOTE:** Each time a reapplication is processed, new INTERVIEW screens must be entered in the CCMS.

## **541 Reapplications for NEON Funded Households**

Once a client has been approved for a NEON funded subsidy, a new application, Service Agreement and Program Penalties form is not required to continue receiving NEON funded services unless an interruption in TANF benefits has occurred since the previous referral was received.

When a subsequent referral is received, the case manager must verify through NOMADS the client is still receiving TANF benefits. If so, the certification period is approved based upon the requested time period on the new referral (not to exceed three (3) months) and adjust the schedule if necessary. If a discrepancy is identified between the child care information, NEON referral and/or NOMADS screens, the case manager must attempt to resolve the issue, however, services to the household must not be delayed.

CCMS must be updated with any new information and new INTERVIEW and MAINTAIN screens must be entered using the date the eligibility is determined as the interview date. The client does not need to be present when eligibility is being recertified.

If the child care certification period has expired and a new referral is received, the new certification period should be based upon the dates requested on the new referral as long as the start date is not prior to the issuance date. If the requested start date is prior to the issuance date, child care benefits should be approved from the issuance date forward and the case manager should request the DWSS worker contact the Child Care & Development Chief to request approval of the retroactive benefits.

In addition, if the referral is received after the referral issuance date, NEON subsidy benefits can be approved back to the referral issuance date without prior approval from the Child Care & Development Chief. However, if the referral issuance date is greater than fourteen (14) calendar days from the date of the interview the child care case manager must contact the DWSS worker to ensure the referral information is still valid prior to approving the benefits.

**NOTE:** If an in-person interview is being conducted the case manager can request the client complete an application, Service Agreement and Program Penalties forms, however services must not be delayed while waiting for these forms to be completed.

## **550 RIGHT TO APPEAL**

An appeal may be requested by a household member or an authorized representative on any action to deny, reduce or terminate benefits. A household member can also appeal the citing of an overpayment or an overpayment amount.

**551 Time Period for Submitting an Appeal**

**Negative Actions:**

To appeal a negative decision made by the Child Care Program office, the client and/or authorized representative must either complete the Notice of Appeal section or form 2158-WC or submit a written request to the appropriate Child Care Program office, DWSS District Office or Central Office within fourteen (14) calendar days from the date of the Notice of Action. The day after the notice date is the first day of the fourteen (14) day period.

If an appeal request is received after the fourteen (14) day period, the household must be notified in writing the appeal has been denied.

The appeal request and any correspondence with the household regarding the appeal must be kept in the eligibility case file.

**Overpayments:**

To appeal an overpayment, the household must submit the request in writing within ninety (90) days from the date on the Notification of Debt, form 2521-EG. The day after the notice date is the first day of the ninety (90) day period.

**552 Continued Benefits**

Households are entitled to continued benefits if the request for an appeal/hearing is received no later than 14 calendar days after the effective date of the proposed action. Assistance continues unchanged until the appeal/hearing decision is made unless a written request benefits not be continued is provided; or the Hearing Officer determines there is no need for a hearing.

If the household receives continued benefits pending the outcome of the appeal and/or hearing, the household must repay any EXCESS benefit received during this time period once the issue is resolved.

**Benefits are not continued if:**

- the client's request is received after the fourteen (14) day period;
- a change affecting the client's subsidy occurs after the appeal, but before a decision is given and the client does not request an appeal after receiving notice of the change;
- federal law or regulations require reduction or termination of benefits;

- benefits are reduced or terminated as a result of mass change without individual notice of adverse action. Benefits can only be reinstated if the issue being appealed is a misapplication of policy or benefits were improperly computed.

**553 Reducing or Ending Benefits Before the Appeal/Hearing Decision**

Benefits continued or reinstated during the appeal process cannot be reduced or ended before the hearing decision unless:

- another change adversely affects the household and the later change is not appealed; **or**
- a mass change affects the household's eligibility. (Benefits must be adjusted accordingly.); **or**
- the certification period expires.

**554 Appeal Procedures**

Within ten (10) calendar days of an appeal request, the designated Child Care Program staff must review the case action for accuracy and supporting evidence and attempt to resolve the contested action either in writing and/or verbally with the household. Every effort is made to reconcile the disagreement without the necessity of a hearing. However attempted resolution at the program office level **DOES NOT** in any manner affect the right to a hearing.

The Child Care Program staff must attempt resolution through one of the following pre-hearing methods:

- **WRITTEN RESOLUTION**

The written resolution must include the reason for the denial and cite applicable manual sections used in the original decision. Included with the written resolution response, the household must be provided the Appeal Results, form 2155-WC, which gives them the opportunity to request a hearing. Copies of the written resolution must be kept in the eligibility case file.

If the client wishes to pursue a hearing, the request must be submitted to the Child Care Program office within ten (10) calendar days of receiving the written response.

- IN-PERSON CONFERENCE

If a conference is held with the household, the Child Care Program representative must complete the Appeal Results, form 2155-WC, at the end of the meeting, detailing the conference and the outcome. The client/representative must complete Section II of the form marking whether they wish to pursue the matter in a DWSS hearing. The Appeal Results, form 2155-WC, must be signed by the Child Care Program representative, client and/or authorized representative. A copy of the Appeal Results form must be kept in the eligibility case file.

HEARING REQUEST

If the client wishes to pursue a hearing, a copy of the appeal resolution documents and the hearing request must be forwarded to the DWSS Hearing Officer at the following address within three (3) business days:

DIVISION OF WELFARE AND SUPPORTIVE SERVICES  
Hearings Unit  
701 North Rancho Dr.  
Las Vegas, NV 89106

In addition, a copy of the hearing request must be forwarded to the Chief of Child Care and Development.

**555 Dismissal or Withdrawal of an Appeal Request**

If the contested action is reversed after receiving an appeal request, a report must be prepared by Child Care Program staff explaining the reasons for the action. The report must be kept in the eligibility case file.

If the appeal request is withdrawn by the client or authorized representative, and continued benefits was requested, the previously contested action must be taken immediately (e.g., update the case, reinstate benefits, terminate, etc.).

**555.1 Restored and/or Increased Benefits**

At the time of the appeal resolution, either in-person or in writing, it is determined that the client is entitled to restored and/or increased benefits the following procedures apply:

**NO ADDITIONAL INFORMATION OR VERIFICATION IS NEEDED**

Within ten (10) calendar days from the date the appeal resolution is completed, benefits for future months must be restored/increased and all benefits for the current and past months for which the household is eligible are to be supplemented.

**ADDITIONAL INFORMATION OR VERIFICATION IS NEEDED**

At the time of the appeal resolution, the household must be provided a Request for Information, Form 2156-WC, which identifies information needed to determine eligibility. The household must be allowed at least ten (10) calendar days to provide for the needed information to be provided.

**All needed information requested is received:**

- within ten (10) calendar days of the receipt of information, benefits for future months must be increased and/or benefits supplemented for the current and past months.

**Part, but not all, of the information requested is received:**

- within ten (10) calendar days from receipt of the information/verification, benefits must be increased or supplemented accordingly for each month the information/verification is provided.

**NOTE:** The household's statement is acceptable verification if no other information is available. Restored benefits should not be denied solely because a third party refuses to provide verification. Upon request, Child Care Program staff may assist the household in obtaining the needed verification.

**560 HEARING PROCEDURES**

**561 Scheduling and Location of Hearing**

Upon receipt of the Appeal Results Form, 2155-WC, the DWSS Hearing Officer notifies the household and appropriate Child Care Program staff of the date, time, and location of the hearing. The household is given at least ten (10) calendar days advance notice prior to the scheduled hearing unless they request the hearing be held in a shorter period of time. At the discretion of the Hearing Officer, a hearing may be postponed if requested by either party.

Hearings may be conducted by telephone when agreed to by all parties and acknowledged in writing. The telephone hearings will be tape-recorded.

**562 Dismissal or Withdrawal of a Hearing Request**

If the contested action is reversed after receiving a hearing request, Child Care Program staff must prepare a report explaining the reasons for the action. The report must be forwarded to the DWSS Hearing Officer prior to the date and time set for the hearing. The Hearing Officer notifies the household the hearing is dismissed because the action, which precipitated the request, will not be taken.

If the client withdraws the hearing request, the previously contested action must be taken immediately (e.g., update the case, reinstate benefits, terminate, etc.) and any excess benefits the household received during the pending period must be referred to DWSS Investigations and Recovery for collection.

A hearing is considered abandoned when neither the household nor their authorized representative appear for the scheduled hearing, unless the Hearing Officer finds good cause for failing to appear. Substantiation of good cause must be received within ten (10) days of the date of the scheduled hearing.

**563 Timely Actions on Hearings**

Within ninety (90) calendar days after the request for a hearing has been filed and after the hearing is completed, the Hearings Officer must notify the household and appropriate Child Care Program staff of the hearing decision. If the hearing is lost, the previously contested action must be taken and the household is required to repay any EXCESS benefit received for the period of time during which the hearing was processed.

If necessary to restore or increase benefits, refer to manual section 555.1.

If either the client or agency wishes to dispute the hearing decision, they must do so through the appropriate local District Court.

# Provider Information

## **600 PROVIDER INFORMATION**

### **601 Introduction**

Clients have a choice in selecting a licensed or registered child care provider. The Child Care Program staff must not recommend or endorse any child care provider programs or services. Families should be encouraged to visit and interview several provider sites prior to making a final decision.

The following individuals are not allowed payments for providing child care services:

- The natural/adoptive parents or legal guardians, whether or not they are living with the child; **or**
- Anyone living in the same residence as the child, unless the child is verified to have a special need; **or**

**NOTE:** To be considered a separate residence each dwelling must be self contained (have its own kitchen, bathroom, bedroom, etc.), have its own mailing address recognized by the U.S. Postal Service and a separate utility meter for the applicable utility company.

- Anyone who is a parent/caretaker on their own subsidy case (i.e., an individual cannot simultaneously be an applicant/recipient of the Child Care Program and receive payments as a child care provider).

### **610 PROVIDER TYPES**

There are five (5) types of providers in the Child Care Program.

The child care types are:

1. Licensed Child Care Center, Nursery School, Preschool - 13+ children
2. Licensed Group Home – 7 to 12 children
3. Licensed Family Care Home – 1 to 6 children
4. Informal Care - Must be registered with the Child Care Program
- 5a. Before and after school-Unlicensed Care Center

- 5b. Before and after school-Unlicensed Care Center (track, summer or holiday break)

**611 Licensed Providers**

Providers must be licensed, if required by state or local statute or regulation, to be paid through the Child Care Program. Providers not required to be licensed must be registered with the Child Care Program Contractor.

All providers licensed through a state or county licensing agency must adhere to the state or local child care licensing statutes/regulations, including maintaining the applicable child/caregiver ratios and authorized hours/days of operation. If child care staff discovers a provider has violated any licensing requirements, they must report the violation to the appropriate licensing agency using the CPS & Child Care Licensing form 2170-WC/A or B and follow procedures in MS 690.

**612 Registered Providers**

If the providers are unlicensed, they must:

- Be at least 18 years of age; **and**
- Be a U.S. citizen or Lawful Permanent Residence; **and**
- Provide a Social Security Number; **and**
- Have a working telephone for emergency situations; **and**
- Out of home non-relative providers must have a current negative TB test or good health statement from a medical professional at initial enrollment and then every two years as long as they are enrolled as a subsidy provider; **and**
- Participate in mandatory health and safety training as defined by the DWSS Child Care Chief; **and**
- Maintain a smoke detector, fire extinguisher and a first aid kit, replacing/servicing these items as necessary.

In addition to the above requirements, unlicensed providers must meet all state, county, or city child care provider requirements which are in effect within the jurisdiction in which they provide services.

If clients choose to use an informal provider (unlicensed), the provider must sign a provider service agreement and provider program penalty form (MS 621) and complete a provider packet to be eligible for the Child Care Subsidy Program. The provider must be allowed at least ten (10) calendar days to submit all required information.

If the required information is received within the requested time period, reimbursements can begin with the date the service agreement is signed. If the required information is not received by the 10<sup>th</sup> calendar day,

reimbursements will begin with the date the Child Care Program office received all the required information. The parent is responsible for payment to the provider for any days not covered by the Child Care Program. Any exceptions must be submitted to the DWSS Child Care Chief, for special consideration.

The client must be notified in writing if the provider is not eligible through the Child Care Program. Services are not covered until the provider cooperates or until they choose a new provider that is eligible.

The Child Care Contractor(s) is responsible for inspecting all non-licensed providers being reimbursed with CCDF (Child Care Development Fund) funds to ensure they are complying with minimal health and safety requirements.

**Exception:** In-home care and care provided by a “qualified relative” is exempt from health and safety requirements. A qualified relative is defined as a grandparent, great-grandparent, uncle, aunt, or adult sibling living in a separate residence.

**612.1 Computer Matches**

Registered providers must be notified in writing that the information they provide to the Child Care Program will be matched against other public assistance programs computer systems and any income received for the reimbursement of services must be reported to the appropriate public assistance program office.

**613 In-Home Care**

Registered providers who offer in-home services (child care provided in the child’s home) must care for a minimum of two (2) subsidy children to be eligible as an in-home provider.

**620 PROVIDER REQUIREMENTS**

**621 Service Agreement**

The Child Care Contractor must initiate a Service Agreement with each provider. The Service Agreement must detail the requirements of the provider while participating with the Child Care Program. For providers who are licensed through a state or county licensing agency, the Service Agreement must notify providers of their requirement to adhere to all state and county regulations.

All providers must read and sign the Service Agreement prior to being approved as a provider. Payment for services will not be made for periods prior to the signed contract. The provider must sign a new Service Agreement annually or more often if necessary due to amendments in the Service Agreement. The original signed document must be kept in the provider case file and a copy given to the provider for their records.

NOTE: If it is determined that **any** provider has not adhered to provisions of the Service Agreement child care staff must follow procedures in MS 690. Additionally, If child care staff discovers a licensed provider has violated any licensing requirements, they must report the violation to the appropriate licensing agency using the CPS & Child Care Licensing form 2170-WC/A or B and follow procedures in MS 690.

### **621.1 Provider Penalty Form**

The Child Care Contractor must initiate a Provider Program Penalty form 2101-WC with all providers. The Provider Program Penalty form gives detailed information about changes the provider must report, the provider's limitations in billing the program for services, and the repercussions for failing to report such changes and/or bill properly. It also gives information regarding the penalties for making false or misleading statements or concealing/withholding facts to establish or maintain program eligibility.

Providers must read, initial, sign and date the Provider Program Penalties form prior to being approved as a subsidy provider. The provider must sign a new Provider Program Penalty form annually or more often if necessary due to amendments of the form. The original signed document must be kept in the provider case file and a copy must be given to the provider for their records.

### **622 Health and Safety Standards Home Visit**

Under CCDF regulations, child care providers must meet minimal health and safety standards, unless care is provided in the child's home (in-home care) or is provided by a "qualified relative."

All registered providers who provide care in their home are subject to a home visit within forty-five (45) calendar days of enrollment and a minimum of twice annually thereafter.

During the home visit the following areas must be examined:

- Educational/entertainment materials and equipment, **and**
- Environment, **and**
- Safety concerns.

The following items **must** be present:

- Operational Fire Extinguisher
- Operational Smoke Detectors
- First Aid Kit and Supplies

If the provider is found to be in non-compliance at the home visit, they must be given up to thirty (30) calendar days to make the noted corrections. A follow-up visit must be scheduled. If improvements are not made within the required time period, the provider must be terminated from the subsidy program.

**Exception:** In-home care and care provided by a “qualified relative” in their home is exempt from this requirement, unless requested by the parent or provider. Recommendations for improvement must be made in writing to the parent and provider. If recommendations are not pursued by the parent or provider termination must not occur.

If at any time the contractor believes the health and/or safety of the child is at risk, regardless of the type of care, the contractor must assess the situation to validate if a report with the Department of Child Protection Services should be made. . If there is validation for a report, the CPS & Child Care Licensing form 2170-WC/A or B will be completed, the original copy sent to the applicable licensing agency and a copy of the form kept in the provider file.

### **623 Informal Home Visits**

Unannounced visits to providers are allowed when the Child Care Contractor believes that compliance with the program rules and/or regulations or the health and safety of the children receiving subsidized benefits are compromised. Recommendations for improvement to the property must be made in writing to the provider and parent/caretaker. If the improvements are not made, termination from the subsidy program will result.

If at any time the contractor believes the health and/or safety of the child is at risk, the contractor must file a written report with the Department of Child Protection Services using the CPS & Child Care Licensing form 2170-WC/A or B.

**624 Immunization Records**

All providers are required to keep the child's immunization record on file and verify with the parent it is kept current. These records must be made available to Child Care Program staff upon request.

**Exceptions:**

- In-home care and care provided by a "qualified relative" in the relative's home is exempt from this requirement;
- The parent/caretaker submits a signed statement which declares immunizations are contrary to their religious beliefs; **or**
- The child has a medical condition that prohibits immunization and this is verified by a physician's written statement.

**NOTE:** This requirement must be noted in each provider's contract/service agreements.

**625 Cooperation with Child Care Program Requirements**

The provider is required to cooperate with the Child Care Program in securing all information needed to determine initial or continuing eligibility. Failure to do so results in denial or termination from the program.

**626 Cooperation with Division of Welfare and Supportive Services (DWSS)**

Provider records may be selected by DWSS to be reviewed as to the accuracy of subsidy benefits paid or allotted. Providers are required to cooperate with the review process. Failure to cooperate can result in an overpayment for the review month. If the provider fails to cooperate, DWSS will notify the Child Care Contractor in writing of non-cooperation. If the provider contacts the office wishing to cooperate, the contractor must advise the provider to contact the applicable department responsible for reviewing the case (i.e., Investigations or Quality Control).

**NOTE:** This requirement must be noted in each provider's contract/service agreement.

**630 PROGRAM RATES/ALLOWABLE FEES**

**631 Care Level**

Rates are established based on the age of the child. Care levels have been established for five (5) age groups within the Child Care Program, which are:

- Infant – newborn up to 1 year.
- Toddler – 1 year up to 3 years.

- Preschool – 3 years up to 6 years.
- School Age – 6 years up to 13 years.
- SPCR – Special Needs, 13 years to up 19 years (manual sections 210 and 215).

**NOTE:** Care level changes are effective on the child's birthday.

## **632 Provider Rates**

The provider can charge any rate; however, the Child Care Program will only pay **up to** the State Maximum Daily Rates based on provider type, care level and geographical area (manual section 633.1).

At the time a provider is enrolled with the subsidy program, they must declare their daily rate for each of the care levels recognized by the Child Care Program. If a provider does not offer a daily rate but they offer weekly or hourly rates, the contractor must use the following procedures to determine the provider's daily rate:

- If a provider only charges by the hour, the hourly rate must be multiplied by 10 (9 hour workday + 1 hour travel time).
- If a provider only charges a weekly rate, the weekly rate must be divided by 5.
- If a provider offers multiple rates for age groups within a care level category, the various rates within the care level group must be averaged to determine the daily rate.

**NOTE:** The Child Care Program does not recognize multiple child discounts; therefore they are not to be considered when determining the least expensive rate.

Providers must not charge a subsidized client a different rate than the general populous.

It is the provider's responsibility to inform the contractors of any rate changes they may have. Changes must be reported in writing and the Child Care Contractor must implement the changes no later than the second month following the month it was reported.

## **633 State Maximum Rates**

Every two years the maximum rate is evaluated for each care level provider type and geographical area as determined by DWSS. If a provider's fees exceed the State Maximum Rate, the client is responsible for payment of the overages to the provider.

If a provider is being paid at the State maximum rate and a state rate increase occurs, the provider records must be reviewed to determine if they provider will continue to receive the state maximum rate or the provider’s reported rate (whichever is less). This process must be completed by the effective date of the state maximum rate change.

**633.1 Daily Rates**

Market Area	Provider Type	Infants (0 up to 1 yr)	Toddlers (1 yr up to 3 yrs)	Preschool (3 yrs up to 6 yrs)	School Age (6 yrs and older)
<b>CLARK COUNTY:</b>					
	Provider 1	31.00	28.00	23.00	19.00
	Provider 2	28.00	24.00	21.00	21.00
	Provider 3	30.00	27.00	26.00	23.00
	Provider 4	23.00	20.00	19.00	18.00
	Provider 5	N/A	N/A	15.00	15.00
<b>WASHOE COUNTY:</b>					
	Provider 1	35.00	30.00	26.00	26.00
	Provider 2	28.00	24.00	21.00	23.00
	Provider 3	31.00	27.00	24.00	23.00
	Provider 4	23.00	20.00	18.00	17.00
	Provider 5	N/A	N/A	15.00	15.00
<b>CARSON/DOUGLAS COUNTIES:</b>					
	Provider 1	29.00	24.00	24.00	21.00
	Provider 2	24.00	23.00	21.00	21.00
	Provider 3	27.00	24.00	22.00	22.00
	Provider 4	20.00	18.00	17.00	15.00
	Provider 5	N/A	N/A	15.00	15.00
<b>RURAL COUNTIES:</b> <i>(Churchill, Elko, Esmeralda, Eureka, Humboldt, Lander, Lincoln, Lyon, Mineral, Nye, Pershing, Storey, White Pine)</i>					
	Provider 1	27.00	24.00	22.00	19.00
	Provider 2	24.00	23.00	21.00	21.00
	Provider 3	24.00	22.00	21.00	21.00
	Provider 4	18.00	17.00	16.00	16.00
	Provider 5	N/A	N/A	15.00	15.00
<b>PROVIDER TYPE CODES</b>					
	1	= Licensed Child Care Center, Nursery School, Preschool. (Over 13 Children)			
	2	= Licensed Group Care Home. (7-12 Children)			
	3	= Licensed Family Care Home. (1-6 Children)			
	4	= Informal Care			
	5	= Before & After School Unlicensed Care Center			

**634 Reimbursable Fees**

The Child Care Program will pay up to \$40 per child in registration and/or annual fees per calendar year. In addition, the registration fee can only be paid if the child is enrolled and attends the facility during the month the registration fee is being charged.

**635 Non-Reimbursable Charges**

Child care payments are not made for:

- Transportation (i.e., to and from school)
- Special activities or meal fees charged by a facility
- Absences of the child from a child care facility beyond the specified time limits (manual section 643)
- Absence of the participant from required activities (may result in client overpayment)
- Two week advance notice for provider change/termination
- Late charges
- Tuition for private K-12 education
- Clothing/uniforms
- Overtime

**640 ATTENDANCE**

**641 Hours in Attendance**

Attendance must be noted on the time sheet and billed as follows:

15 minutes to 4 hours and 29 minutes = Part-time rate

**NOTE:** The part time rate is the least expensive daily rate divided by two.

4 hours, 30 minutes and greater = Full-time or Daily rate

**Exception:** For school-age children, full-time care is considered when care is provided for 3 hours or more. In addition, if the provider transports the child to/from school this time period is included when determining the child's attendance time.

Attendance of fourteen (14) minutes or less will not be eligible for reimbursement. In addition, 24-hour care is not eligible for reimbursement. Anyone in care in excess of 14 hours in a 24-hour day may be referred to CPS using the CPS & Child Care Licensing Report form 2170-WC/A or B.

**642 Attendance Records**

All providers are required to keep attendance records for each child receiving child care subsidy benefits. An attendance record must include the provider's signature and date the attendance record is validated by the provider. The date cannot be prior to the attendance month.

Reimbursements will be processed based upon the signed and dated attendance record from the child care provider which must include, at a minimum:

- The name of the provider; and
- The provider ID; and
- The enrollment/attendance period (Month and Year); and
- The child's first and last name; and
- The child's identifying information such as Social Security number, date of birth, etc.; and
- The entry and exit time for each day the child attended the facility; **and**

**NOTE: For before and after school programs, providers are required to include an entry and exit time for both morning attendance and afternoon attendance. Billing for a full time day when only a part time day is warranted based on school attendance will be considered a provider violation, and an overpayment will be established against the provider for the incorrectly billed days.**

- The signature of the individual who dropped off/picked up the child.

**NOTE:** Computer generated attendance logs which do not require the parent/caretaker's signature are acceptable, as long as they include all of the required information listed above.

If the parent/caretaker has not signed the child in/out for each day of attendance during the service month, they must sign and date the attendance record certifying the information listed is truthful and accurate to the best of their knowledge.

**NOTE:** For some school age programs, the child may enter and exit the facility without being accompanied by an adult. In these instances, it is expected that a member of the faculty will enter the entry/exit times. Reimbursement can still occur as long as the parent has designated the facility as a secondary representative who can authorize reimbursement without the parent's signature. Prior to reimbursement, the parent and facility representative must complete the Designation of Authorized Representative, Form 2163-WC.

If the timesheet does not include all sign-in and sign-out times for the child, the provider will not be reimbursed for that day. In addition, if staff has reason to believe the child was in school during the reported period on the timesheet, school attendance should be requested before payment is made. In the event the school attendance draws a red flag, the case will be referred to DWSS I&R unit and could result in a provider penalty and overpayment.

If a client fails to sign for the daily attendance or at the bottom of the timesheet, the provider can still be reimbursed as long as the parent/caretaker is not a current client of the provider once the supporting verification of attendance is received (i.e., classroom attendance record). If supporting verification is not available, the provider's statement can be accepted; however the reason for accepting the statement must be documented in the provider's case notes.

If a client signs in the wrong column (i.e., signs in Discretionary Day column when the child has actually signed in and out for attendance), reimbursement can occur as long as the contracting agency validates the attendance with the client and the contact is documented.

**643 Discretionary Days**

Each eligible child is allowed fifteen (15) days per calendar year to be absent from care for any reason and the provider can be reimbursed for these days as long as the provider has obtained the parent/caretaker written authorization prior to the reimbursement request.

The client and provider must be notified in writing when all fifteen (15) days have been used. Anything claimed over the fifteen (15) day limitation is the responsibility of the client.

**650 CHILD CARE PAYMENTS**

**651 Attendance Record Due Date**

The provider must sign and date the completed attendance record for each eligible child and submit the original record to the Child Care Contractor office once per month by the 5<sup>th</sup> business day of the month following the service month to be considered timely receipt. It is suggested the provider keep a copy for their records.

EXCEPTION: Providers approved to submit timesheets via Web Attendance may submit the attendance records weekly, bi-weekly or monthly.

**651.1 Processing Attendance Records**

The attendance records must be date stamped with the date when the Child Care Program office received the record.

**651.2 Stale Dated Claims**

Provider billings and registration/annual fees must be submitted no later than the last day of the month following the month of service (e.g. service month of June must have the billings dated stamped received by July 31). Billings submitted after the last day of the month following the service month may be rejected as stale dated and may not be eligible for payment approval.

**EXCEPTION:** A delegate agency that determines eligibility (MS 481) will be allowed ninety (90) days after the month of service to submit their billings and registration/annual fees. Billings submitted after ninety (90) days will be rejected as stale dated and may not be eligible for payment approval.

Any provider who has a payment rejected for stale dating may request special consideration for payment approval to the Chief of the Child Care Program via the child care contractor. The special consideration must be in writing (email requests are acceptable) and include the circumstances which warrant the special consideration, the month(s) of service and the amount of the payment for each month requested. A written decision will be issued to the provider and the contracting agency. The Chief's decision is final and cannot be appealed.

**652 Provider Reimbursements**

Child care reimbursements must be paid at the least expensive rate; therefore, if the provider charges less than the State maximum rate the provider rate must be paid the lesser rate, unless noted otherwise in the policy manual.

Reimbursements must be paid based upon the approved schedule, the approved level of care (FT/PT) as noted on the Certificate and the actual attendance of the child.

**NOTE:** If a household member's schedule covers a time period which extends between two days (example – 9pm to 9am), this is considered one day of service and the provider is eligible for reimbursement of one day only at a full-time rate.

**NOTE:** In addition, if the child is scheduled for part-time and the parent authorizes a Discretionary Day, the reimbursement must be made at the part-time rate.

**653 Provider Payments**

Child care subsidy payments must be paid directly to the provider. Other arrangements may be necessary in unusual circumstances and are made at the discretion of the Child Care Program Director/Administrator of the contracting agency.

Payment to the provider for the service period submitted must be sent within thirty (30) business days from the receipt of the timesheet.

The Child Care Contractor is responsible to ensure the child care billings concur with the parent's/caretaker's hours of participation in the approved purpose of care activity. If significant differences occur between the hours authorized on the child care Certificate and the hours indicated on the attendance verification form, further investigation is warranted. Communication may also be necessary between the Child Care Program staff and the DWSS caseworker.

**654 Payment Adjustments**

There may be times when a provider will bill for days when the child has attended, but was not authorized on the Certificate (i.e., the parent/caretaker works an additional day, school gets out early for parent/teacher conferences, etc.). Prior to payment being made for the unscheduled time/day(s), it must be verified that purpose of care existed. Once verified, an adjustment to the provider payment must be made. The case manager must document the action in the computer system.

**655 Provider Underpayments**

The Child Care Contractor must resolve all provider underpayments in the next available reimbursement period from the date the underpayment is validated.

If an underpayment is discovered through a Management Evaluation or Quality Control review, the underpayment must be validated by the contracting agency. If the underpayment was due to a mistake of the contracting agency, the supplemental payment must be issued with the next available reimbursement period after validation.

**656 Provider Overpayments**

If an overpayment is found, the overpayment must be validated by the contractor within sixty (60) calendar days from the date the overpayment is discovered.

The Child Care Contractor is principally responsible for the collection of all provider overpayments. Recovery is accomplished through retention of future provider payments until the debt is retired in whole. If the provider suggests repayment of the debt will cause a hardship they may seek special consideration from the DWSS Child Care Chief. To do so, the provider must submit a written request to the DWSS Child Care Chief fully disclosing the circumstances which warrant special consideration.

If the provider's contract is terminated prior to full repayment of the overpayment, the contractor must refer the debt to the appropriate DWSS I&R office for continuation of the recovery action. I&R referrals must be made using the Child Care Overpayment Referral, Form 2154-WC, and must include all information and evidence used to substantiate/calculate the debt.

If the provider initiates a new contract with the Child Care Contractor prior to full recovery of the debt by DWSS I&R, the contractor must suspend approval of the contract until the remaining overpayment balance is paid. The provider retains the right to seek hardship consideration using the aforementioned process. If a hardship is granted, the Child Care Contractor must submit a written request to DWSS I&R seeking to reclaim the debt and assume responsibility for collection of the outstanding balance through reimbursement reduction.

Overpaid providers are afforded the right to a hearing/conference with the contractor if requested within ninety (90) days from the date of the initial overpayment notice. If requested, the contractor must exercise a full internal review process to assure contractor action is consistent with published policy. Child Care providers **are not** entitled to a hearing before a DWSS Hearing Officer.

**657 Attendance/Billing Audits**

At the discretion of DWSS, the provider's attendance logs may be compared to the provider reimbursements. Any overpayments/underpayments resulting from the audit must be resolved with the provider.

**658 Right to Appeal**

Providers have sixty (60) calendar days from the issuance of payment to appeal their reimbursement in writing to the Child Care Contractor. All appeals must be resolved and responded to in writing by the Child Care Program office within thirty (30) calendar days after receipt of the written appeal.

Child Care providers **are not** entitled to a hearing before the Division's Hearing Officers.

**659 Attendance Record Retention**

After submittal, provider attendance records must be retained by the contractor for a period of thirty six (36) months after the month of reimbursement.

**660 USE OF MORE THAN ONE PROVIDER**

Clients may have multiple providers for the same child when the following circumstances apply:

- If the child is enrolled with a provider who is not open on weekends, the client may choose to have an additional provider for weekend use only.
- If the child attends a program or facility that is closed routinely for holidays, track breaks, etc., the client may receive an additional certificate for a second provider for use during “track breaks or holidays only.” The contractor will request the client to provide a copy of the track break schedule for the child to monitor provider usage. The certificate needs to specifically state that care is authorized for “track breaks and holidays only,” etc.

**670 PROVIDER CHANGES**

Clients can change providers as often as they choose. However, there is a limit to the number and amount of registration fees that will be paid by the Child Care Program. Refer to manual section 634, Reimbursable Fees.

NOTE: If a client changes from a delegate agency provider to a certificate provider, the client will not be subject to wait list criteria. Additionally, if the change is made mid-month the payment will not be made to the delegate agency due to the child not being eligible for the entire service month (MS 484).

If the client chooses to change providers, they must provide to the Child Care Contractor written verification from the current provider that they do not have an outstanding co-payment balance.

If the client has an outstanding co-payment balance with the current provider, verification must be received stating they have either paid off the outstanding balance or they have signed a Repayment Agreement with that provider to pay off their balance. If the client fails to provide verification within the requested time period, their case must be terminated.

**NOTE:** If the client is claiming neglect/abuse is the reason for the provider change, they must be allowed to transfer the child to a new provider immediately, even if they have an outstanding co-payment balance. The client must still provide verification that a Repayment Agreement has been signed with the previous provider.

The Child Care Program does not cover late charges or charges for tuition, meals, transportation and/or clothing/uniforms. Therefore, an outstanding balance on these issues must not delay the child care transfer. However, the client should be encouraged to sign a Repayment Agreement.

If the provider refuses to cooperate with providing written verification of the co-payment balance, the case manager must not penalize the client. The transfer must be allowed and the case manager must contact the provider directly to obtain the verification.

A new Certificate must be printed for the new providers and a Notice of Terminate must be given to the previous provider. The case manager must follow the procedures outlined in manual section 144.1 and 537.

The case manager must issue the new Certificate for the remainder of the certification period only. The end date must not extend beyond the original end date.

## **680 COMPLAINTS AGAINST PROVIDERS**

Clients may file a written complaint against a provider through the Child Care Program office. These complaints must be forwarded to the appropriate Licensing Bureau for review within twenty-four (24) hours of receipt.

When child care contract staff have determined a provider has failed to meet child care licensing requirements they must complete the CPS & Child Care Licensing Form 2170-WC/A or B, send the original copy to the applicable licensing agency within twenty-four (24) hours and keep a copy of the form in the provider file.

## **690 NON-COMPLIANCE**

If the Child Care Contractor has determined a provider has not followed licensing requirements or the provisions of the signed Service Agreement and/or has violated program policy the following actions must be taken:

1. Send the provider a Provider Non-Compliance form 2103 A or B detailing the violation, the time period allowed to correct the non-compliant issue and possible sanction(s) if the issue is not corrected. The time period for correction cannot be less than ten

(10) calendar days or greater than thirty (30) calendar days from the date of the notice.

**NOTE:** For licensed providers who fail to follow the applicable licensing regulations, the CPS & Child Care Licensing Form 2170-WC/A or B must be completed and sent to the applicable licensing agency within twenty-four (24) hours of discovering the violation.

2. The contractor initiating the Provider Non-Compliance form must follow-up with the provider within thirty (30) days of the end of the corrective action period to ensure action has been taken to resolve the non-compliance issue.

3. If the provider fails to correct the issue or fails to maintain compliance with the licensing or program requirements after receiving the Provider Non-Compliance form, the following sanctions will be applied:

a. First Violation – the provider will be suspended from the Child Care Subsidy Program for ninety (90) days, and will be ineligible for payment for any childcare provided to subsidy families during the sanction period.

b. Second Violation – the provider will be suspended from the Child Care Subsidy Program for one hundred and eighty (180) days and will be ineligible for payment for any childcare provided to subsidy families during the sanction period.

c. Third Violation – the provider will be permanently terminated from the Child Care Subsidy program.

**NOTE:** If it is determined by DWSS Investigations Unit a provider made false or misleading statement(s), concealed or withheld facts in order to establish or maintain eligibility for a client, or to obtain payment for care for which they were not entitled, the Child Care Chief can terminate a provider immediately. Additionally, the provider may be criminally prosecuted or otherwise penalized according to state and federal law.

4. The penalty period start date must allow for a fourteen (14) day appeal period and a ten (10) day notification to the subsidy participant(s). The day after the request date is the first day of the ten (10) day period.

EXAMPLE: Notification is mailed to the provider on 06/05 that a program sanction of ninety (90) days will be imposed. Allowing for twenty-five (25) days, the penalty period will start on 6/29 and end on 9/26. (This is 14 days for the appeal, one day to send notification to the participant and 10 days for the participant to respond.)

- a. If an appeal has not been filed at the end of the fourteen (14) day period, notification will be sent to all participating clients to decide whether to terminate their subsidy case or select a new subsidy provider.
- b. If an appeal is filed by the end of the fourteen (14) day period and there is no request for continued services as a subsidy provider, notification will be sent to all participating clients allowing them ten (10) days to decide whether to terminate their subsidy case or select a new subsidy provider.
- c. If an appeal is filed by the end of the fourteen (14) day period and an eligible provider requests continued services, child care services will continue until a decision is made by the DWSS Child Care Chief. Notifications will not be sent to the clients until the Chief validates the provider penalty is appropriate based on the appeal.
  - i. **Note:** To be eligible for continued services, the provider must not have been suspended or terminated due to loss of their child care license or fraud as determined by the DWSS Investigations Unit.
- d. The Child Care Contractor submits the provider's appeal request and any substantiating evidence to the Child Care Chief. The Chief will review the evidence and provide a written decision to the Child Care Contractor.
- e. A copy of the Chief's written decision will be placed in the provider's file and a copy will be sent to the provider. If the appeal is upheld, the provider's services with the Child Care Program will continue without interruption.

If the appeal is denied, the Child Care Contractor will send notification to all participating clients allowing

them ten (10) days to decide whether to terminate their subsidy case or find a new provider. The contractor will send an updated Provider Penalty Notification form 2104-WC with the new timeframe for the sanction, including the ten (10) day notice to the subsidy client(s). Additionally, an overpayment must be assessed from the date the continued services were requested until the ten (10) day notification is mailed to the subsidy participant(s).

Providers may request special consideration from the Child Care Chief via the Child Care Contractor to have a sanction waived. The special consideration must be in writing (email requests are acceptable) and include the circumstances which warrant the special consideration. A written decision will be issued to the provider and the contracting agency. The Chief's decision is final and cannot be appealed.

Refer to MS 700 regarding provider fraud and overpayments.

# Investigations, Program Violations & Claims

## 700 INVESTIGATIONS

Investigations are used to promote program integrity in the Child Care and Development Program. Investigations & Recovery staff (I&R) use collateral sources to secure factual information and/or evidence to determine violator intent and program consequence.

### 701 Objectives

The general objectives of the I&R Unit are:

- Detection, prevention, reduction and identification of program fraud and abuse by applicants/recipients of child care subsidy benefits and/or child care providers. Investigations may lead to administrative action and/or criminal prosecution.  
"Fraud" means an intentional deception or misrepresentation made by a person knowing that by doing so it could result in some type of unauthorized benefit to them or to another person. It includes any act that constitutes fraud under applicable federal or state law.
- Timely recovery of all incorrectly paid program benefits acquired through fraudulent or abusive acts committed by any persons receiving benefits/payments from the Child Care and Development Program.
- Sanction of any and all individuals who willfully violate rules for the Child Care and Development Program.

### 702 Responsibilities

The Division of Welfare and Support Services (DWSS) I&R Unit are responsible for, in whole or in part:

- Investigation of any individual or group of individuals suspected of attempted or accomplished fraud and/or abuse of any benefit program administered by the Child Care and Development Program and funded by DWSS.
- Administrative penalty of Child Care and Development Program applicants or recipients who are suspected of intentionally violating program rules.
- Criminal prosecution of individuals suspected of criminal acts against programs administered by the Child Care and Development Program, and funded by DWSS.

### 703 Types of Investigations

Fraud and abuse investigations are broken down into four primary types:

1. Pre-eligibility (after application, but before case approval);
2. Ongoing eligibility (while a client is still eligible for subsidy benefits);

3. Post eligibility (client previously received subsidy benefits, but is no longer on assistance)
4. Provider fraud and/or abuse

#### **704 Investigation Referrals**

Child Care staff must review all case circumstances when determining eligibility. When inconsistencies are discovered among prior and current applications, client statements, verifications, etc, staff need to evaluate if these inconsistencies warrant an investigative referral. Listed below are some examples of “red flags” that case managers should be aware of as these types of issues warrant further clarification and/or investigation.

#### **A RED FLAG GOES UP FOR APPLICANTS/CLIENTS WHEN:**

Verifications appear to be altered or completed by applicant

Household costs, i.e. rent, utilities, child care co-payment, are more than the client's claimed income

Client has past history of incorrectly reporting income

Client lives with absent parent's family (but absent parent doesn't)

Client works in a profession that routinely receives tips, but doesn't report receiving them

Newborn is given a last name different than the applicant/client

Children attend school outside their area

Client is self-employed and has a Zero net income for a long period of time and indicates they have no living expenses

Frequent changes in employment or working for an individual that pays cash

No pay stubs available or unable to contact employer with phone number provided

Out of state or country NCP that can provide a mutual agreement of child support in less than 2 days from request

If information is discovered that warrants an investigative referral, DWSS or Child Care contractors will make referrals through the I&R Information System (IRIS). If electronic submission is not possible, Investigative Referral Form 2682-AF should be submitted to the I&R office. In the event a DWSS or Child Care contractor employee receives a community complaint or anonymous call, all information must be recorded on a referral form and forwarded to the DWSS I&R Unit.

## 710 CASE INVESTIGATION

All Child Care and Development Program investigations are performed by DWSS I&R staff and in accordance with rules and regulations as defined in DWSS Administrative Manual Section 3200.

### 711 Reporting Case Findings

Upon completion of the investigation, the investigator completes an Investigative Follow-Up Form and keeps the original in the investigation case file and forwards copies to the Child Care and Development Program office staff who submitted the referral.

If the case is associated with a DWSS public assistance case, a copy of the report may also be forwarded to the appropriate DWSS eligibility caseworker.

## 720 PROGRAM VIOLATIONS/PENALTIES

Administrative penalties are used to promote program integrity. Applicant/Recipient fraud is a violation of both federal and state law. If convicted, individuals may receive penalties, which include any or all of the following:

Administrative program penalties and/or disqualification

- Criminal conviction
- Full program restitution
- Criminal fines and/or penalties
- Confinement in county, state or federal prison

An intentional program violation (IPV) is an action by the accused for the purpose of establishing or maintaining program eligibility, or increasing or preventing a reduction in the benefit amount when they:

- Made a false or misleading oral or written statement, or misrepresent, conceal or withhold information;
- Committed any act that violates NRS 422A.700 or intentionally violated any rule or regulation established by the DWSS;
- Made an attempt to obtain, increase or continue child care benefits for themselves or others to which they would otherwise not be entitled;
- Received child care benefits to which they would otherwise not be entitled;
- Failed to comply with reporting requirements as set forth in manual section 500;
- Submitted a false document to the Child Care and Development Program Staff and/or DWSS;
- Altered a Child Care Certificate to receive benefits to which they would not otherwise be entitled to.

These actions do not have to result in a claim. If there is potential for erroneous benefits being issued, an IPV may exist. IPV's are addressed in detail in the Investigations & Recovery (I&R) Policy Manual, section 200. Reference should be made to this manual section for issues/events not addressed in this chapter.

Intent may be demonstrated in a number of ways, such as:

- The accused individual had reason to know or had knowledge of the information withheld or misrepresented; or
- The accused individual failed to report or clarify the information withheld or misrepresented during contact with DWSS or Child Care contractor staff, either in person, by mail, by phone, FAX or Electronic Mail; or
- The accused individual has demonstrated the ability to report or clarify required information in the past; or
- The accused individual has a history of previous program violations and/or client caused claims.

The Division of Welfare and Supportive Services (Division) bears the responsibility of proving program violations are intentional acts by the accused individual; however, the presumption of intent may be overcome by the accused when the accused individual can bring forth clear and convincing evidence to rebut the allegation.

The following acts are illustrative but not exclusive:

- Concealing or misrepresenting – identity, Social Security number, employment information, paternity information, pregnancy information, marital status, persons living in the home, income, residency, non-custodial parent information, citizenship, household members temporary absence from the home, receipt of public or government assistance, child support issues, medical conditions of persons living in the home, lump sum disbursements, winnings, subsidized housing, prior IPV's or any other information specifically addressed on the child care assistance application.
- Altering, forging, duplicating or transferring of Child Care program forms, checks, affidavits, or any documents submitted to the Child Care program and/or the DWSS.
- Misuse of child care services, such as utilizing child care when the approved purpose of care does not exist.

**Note:** The applicant or recipient's eligibility will not be compromised based solely on the Division's pursuit of a penalty action. If all other eligibility requirements are met, the accused individual remains eligible pending the outcome of the administrative penalty action.

Recovery of incorrectly paid benefits is not interrupted or affected by the pursuit of the administrative penalty action.

**721 IPV Forms**

Form 6021-AF, Administrative Disqualification/Penalty Waiver, is the only form used to pursue an administrative penalty for IPV. Included in this form are the:

- Program and Violation Penalty;
- Violation Summary;
- Rights of the Accused Individual; and
- Waiver of Right to Administrative Disqualification Hearing/ Acceptance of Penalty

**722 IPV Penalty Methods**

There are three separate methods by which the accused individual may be penalized, they are:

1. Acknowledgment and voluntary acceptance of the penalties by the accused individual, via a signed IPV Waiver;
2. By formal order of a DWSS hearings officer after conclusion of the administrative penalty/disqualification hearing process;
3. By conviction in a criminal court for any offense related to violation of Child Care program rules.

**723 IPV Penalties**

Accused individuals found to have committed an IPV through one of the methods described in manual section 720 are penalized as follows:

**NON-NEON RECIPIENT PENALTIES**

Child care subsidy benefits are decreased by two (2) subsidy percentage steps for a period of six (6) calendar months for the first occurrence, three (3) subsidy percentage steps for twelve (12) calendar months for the second occurrence and the household is permanently disqualified from the receipt of child care assistance for the third occurrence.

**Example:** The household qualifies at 95% at-risk subsidy and they are convicted of a child care 1st occurrence IPV, the maximum subsidy percentage paid by the Child Care Program would be 80%.

If the IPV penalty takes the household out of an eligible funding category, the household would be ineligible for the length of the IPV period.

**Exception:** Foster/CPS cases will be paid at the reduced subsidy percentage for the duration of the penalty period.

**NEON RECIPIENT PENALTIES**

NEON recipients are eligible for child care subsidy benefits based on a NEON Child Care Referral, therefore if a child care IPV is identified it will be imposed by the TANF program rather than the Child Care and Development Program. All adults in a TANF NEON case are required to participate in NEON work activities, unless otherwise exempt, and therefore are entitled to child care as a NEON support service without a penalty.

If a non-NEON recipient is serving a child care IPV penalty and becomes NEON eligible, the penalty period is suspended and they will be served as a NEON client with no penalty while receiving NEON. Once NEON ends, the penalty period begins again until the penalty is fulfilled.

**Example:** A first occurrence IPV is imposed in January for an at-risk client and the household is reduced to 80% subsidy for six (6) months. In March the household becomes NEON eligible and remains NEON eligible for four (4) months. The IPV will be suspended in March and will resume in July through October.

**724 Identification of IPV's**

IPVs may be identified through a variety of means. The violation *does not* have to be discovered through an investigation or omission by the accused individual and does not have to include an incorrect payment of benefits. As defined in manual section 720, the mere *attempt* to acquire benefits incorrectly may be reason enough to pursue disqualification penalties.

Substantiation of a violation may be accomplished through, but is not limited to, collateral contacts, automated interfaces, case investigations or eligibility interviews.

**725 IPV Penalty Occurrences**

When one or more IPV's are discovered, each occurrence must be separated by an Administrative Disqualification/Penalty order or signed and approved Administrative Disqualification/Penalty Waiver or criminal court Judgment of Conviction (JOC) before the next level of penalty may be pursued. Occurrences are separated in the following manner:

<b>1st Violation</b>	<p>Program violations occurring from the date of the accused individual's birth until:</p> <ul style="list-style-type: none"> <li>• the date of disqualification/penalty (date of the hearing officer's notification letter) order; or</li> <li>• date of signed and approved Waiver (date signed by designated I&amp;R staff member); or</li> <li>• date of the JOC, regardless of the number of violations committed in between.</li> </ul>
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<p style="text-align: center;"><b>2nd Violation</b></p>	<p>Program violations occurring after approval date of initial signed Waiver or being found guilty of committing a 1st violation until:</p> <ul style="list-style-type: none"> <li>• the date of disqualification/penalty (date of the hearing officer’s notification letter) order; or</li> <li>• until date of signed and approved Waiver (date signed by designated I&amp;R staff member); or</li> <li>• until date of the JOC, regardless of the number of violations committed in between.</li> </ul>
<p style="text-align: center;"><b>3rd or subsequent Violation</b></p>	<p>Program violations occurring after approval date of a second signed Waiver or being found guilty of committing a 2nd violation until:</p> <ul style="list-style-type: none"> <li>• the date of disqualification/penalty (date of the hearing officer’s notification letter) order; or</li> <li>• until date of signed and approved Waiver (date signed by designated I&amp;R staff member); or</li> <li>• until date of the JOC, regardless of the number of violations committed in between.</li> </ul>

**730 INTENTIONAL PROGRAM VIOLATION (IPV) PROCEDURES**

**731 Referring to DWSS for IPV Action**

Staff authorized by DWSS may recommend disqualification be initiated against an accused individual by completion and transmittal of Form 6021-AF, “Administrative Disqualification/Penalty Waiver.”

**731.1 Signed IPV Waiver**

If a signed waiver is obtained, the worker shall:

- Create an Investigations and Recovery Information System (IRIS) referral by completing the applicable referral detail fields;
- Select the “IPV Waiver Attached” option;
- Enter IPV waiver information and save the referral; and
- Scan and attach the signed IPV waiver document to the referral.

Upon successful referral generation, IRIS will route the referral to the Referral Management Unit (RMU) for case establishment and routing through the IPV process.

**731.2 Request I&R Pursue IPV**

If the accused individual refuses to sign the waiver, the worker must refer the case to the Investigations and Recovery Unit for an investigation to pursue an IPV by:

- Creating an IRIS referral by completing the applicable referral detail fields;
- Selecting “I&R to Complete IPV Waiver;” and
- Entering IPV waiver information and then saving the referral

Upon successful referral generation, IRIS will route the referral to the RMU for case establishment and routing through the investigative process.

When completing Form 6021-AF, staff must limit their actions to “one person per form” and “one program per form.” Evidence to support the IPV is not required but can be included or attached to Form 6021-AF.

Documentary evidence of prior occurrences must be attached when other than a first program occurrence is marked.

I&R Unit staff will pursue the administrative hearing in accordance with the policies set forth in the manual sections to follow and the Division’s I&R Policy Manual, section 200. The Child Care case manager may be called as a witness to provide additional testimony at the Administrative Hearing.

### **732 Initiating IPV Actions**

The I&R Unit is principally responsible for activities associated with Child Care **and Development** Program penalties of an accused individual suspected of program rule violations. However, any employee of the Division or the Child Care Staff may initiate penalty/disqualification action against an accused individual by completing Form 6021-AF, Administrative Disqualification/ Penalty Waiver.

Staff initiating a penalty action must complete all required administrative penalty paperwork and be prepared to act in the capacity of a witness in front of the hearings officer.

### **733 Determining IPV Penalty**

The Division’s Central Office Investigations & Recovery (I&R) Unit maintains a central repository for all Nevada Child Care **and Development** Program IPV’s.

Before completion or submittal of Form 6021-AF, the worker must check for prior disqualifications by sending an email to [welfinvest@dwss.nv.gov](mailto:welfinvest@dwss.nv.gov) (Welfare Investigations) to ensure the appropriate penalty period is requested. The email must specify the program type (e.g., Child Care), last name, first name, date of birth, Social Security Number, and any alias of the accused individual.

If past IPV penalties are identified, the I&R worker shall obtain a copy of the previous IPV waiver, hearing decision or criminal court disposition. These documents must be attached to the new IPV paperwork (Form 6021-AF) to substantiate pursuit of enhanced penalties.

### **734 IPV Hearing Waiver**

The IPV waiver may be used to address an accused individual’s program violations without prior submittal of the 6021-AF to the Hearing Unit. This permits accused individual acceptance of IPV penalty without the formality of the actual hearing. If this method is used, the accused individual must also sign the “Rights of the Accused and

Waiver of Right to Administrative Disqualification Hearing/Acceptance of Penalty” section of Form 6021-AF acknowledging their understanding of their rights under program laws, regulation and rules.

**Note:** If a signed IPV waiver is obtained, penalties must not be imposed until the case manager has forwarded the signed waiver, via referral to IRIS, and received notification from I&R staff.

No further administrative appeal procedure exists after an accused individual waives his/her right to an administrative disqualification hearing and a disqualification penalty has been imposed. The accused individual however, is entitled to seek relief in a court having appropriate jurisdiction.

### **735 Coordination of IPV Actions**

To eliminate confusion and duplication of effort, all administrative penalty/disqualification requests and signed IPV waivers must be sent to the I&R Unit assigned responsibility for the submitting office. The approval of the I&R supervisor or their designee is mandatory to ensure prior penalty occurrences have been checked and case manager actions are not duplicating the actions of I&R staff.

### **740 INTENTIONAL PROGRAM VIOLATION (IPV) HEARING**

Administrative Disqualification Hearings and pre-hearing resolutions are set forth in the Division’s Administrative Manual, section 3103.

On the hearing date, the employee who initiated the IPV action (see manual section 862) must be available to act as a witness if necessary; however I&R will represent the Division and present the case to the hearings officer.

### **741 Consolidation of Administrative Penalty Hearings**

Penalty/disqualification hearings for Child Care, TANF, SNAP, Energy Assistance and Employment & Training programs may be combined into a single hearing if the factual issues arise out of the same or related circumstances and the household received prior notice the hearings will be combined.

Combining hearings permits presentation of issues at a common hearing time. However, an individual Administrative Disqualification/Penalty Waiver, Form 6021-AF, must be completed for each accused individual and for each program.

If combined, a separate file must be established for each case, and separate presentations must occur for each program. This permits individual rulings for each separate program violation.

## 742 IPV Hearing Process

The DWSS Hearings Office will schedule the date and time of the hearing and notify all involved parties.

**Note:** If legal counsel is representing the accused individual, the worker may request attendance by one of the Division's assigned deputy attorneys general.

At the hearing, the worker presenting the case introduces testimony and evidence demonstrating the accused intentionally violated program rules. Evidence should be organized and presented in a manner consistent with the chronological events associated with the violation.

## 743 Pre-Hearing Resolutions

IPV issues may be resolved without a hearing or prior to a scheduled date of hearing if:

- The Division or Child Care Program Staff formally withdraws their request for a penalty/disqualification hearing; or
- The accused individual signs both the Administrative Disqualification/Penalty Waiver section of Form 6021-AF and the Waiver of Right to Administrative Disqualification Hearing/ Acceptance of Penalty (manual section 864, IPV Hearing Waiver).

Requests for modification of an IPV order must be routed through an I&R supervisor or their designee.

## 744 IPV Hearing Outcome

Issues sent to the Hearings Unit are resolved on a case-by-case basis. Only written decisions issued by the hearings officer and state or federal courts are enforceable. The formal written decision order may:

- Deny or approve the request for a hearing;
- Deny or approve the request for an administrative penalty based on a hearing;
- Approve, with modification of the penalties.

Individuals who disagree with the decision of the hearings officer may appeal their case to district court within ninety (90) days of the date of the hearing officer's decision.

## 745 Reconsideration of a Hearing Decision

The hearing officer may reconsider the hearing decision and reopen the record for presentation of evidence by either party if, within thirty (30) days from the date of the hearing decision, it is shown to the satisfaction of the hearings officer that the additional evidence is material and that there was good cause for failure to present it in the hearing.

**746 Modification of the IPV Order**

If errors are noted on the IPV documentation (wrong Social Security Number, incorrect IPV penalty, etc.), corrections cannot be made without bringing the matter before the hearings officer.

Requests for modification of an IPV order must be routed through an I&R supervisor.

**750 IMPOSING IPV PENALTIES/REPAYMENT OBLIGATIONS**

If a signed IPV Waiver or judgment of conviction is obtained, penalties shall not be imposed until the case manager has received notification from I&R staff.

For open cases, penalties are imposed against current benefits as soon as administratively possible after the signed Waiver is approved by the designated I&R staff or receipt of the hearing officer's penalty order or criminal court JOC and notification is received from I&R staff. Penalties will continue for the ordered or applicable period of time. Worker inability to affect benefits because of computer programming restriction does not negate the case manager's ability to impose the full penalty period.

For closed cases, the penalties will be imposed immediately after the signed waiver is approved by the designated I&R staff or, receipt of the hearing officer's penalty order or a criminal court JOC and notification is received from I&R staff. Penalties will continue for the ordered period of time.

**Example:** An accused individual's benefits cease in May and an IPV penalty is imposed effective July through June. If the accused individual applies for assistance and is approved in December, the case manager must impose the penalty for the remainder of the penalty period (December through June).

If subsequent penalty orders are received, the new penalty must be implemented as soon as administratively possible.

**Example:** If the accused individual is currently serving a first level penalty and the Hearing Officer orders a second level penalty, the case manager must wait until the entire first level penalty period has been exhausted before imposing the second penalty; however, if the accused is serving a second level penalty and is ordered to serve a third IPV penalty, impose the third IPV penalty immediately upon receipt of the hearing officer's decision, regardless if the accused individual is still serving the second penalty.

If the case manager fails to apply penalties within specified time frames, only the remaining months of the penalty may be imposed (unless permanently ineligible).

If the penalty is associated with the incorrect payment of benefits, the I&R worker will initiate action to reclassify the claim as an IPV.

## 751 Nevada's Central Repository for Program Penalty Information

The Hearings Unit forwards all Child Care penalty records to the Division's I&R Central Office Unit for maintenance and storage. This information is available for use by all the Division or Child Care and Development Program staff. Its primary purpose is to provide documentary evidence of why a penalty was imposed and substantiate previous penalty occurrences.

## 760 CLAIMS

### 761 Introduction

A claim means any subsidy benefit paid to, or on behalf of, any individual, household or business that exceeds the amount the individual, household or business was eligible to receive.

The claim amount is the difference between what the individual, household or business actually received in the form of a benefit less the amount they were entitled to receive.

Individuals, households or businesses that owe money to the Child Care Program must repay the claim amount. If approved in advance by Division of Welfare and Supportive Services (DWSS), the overpaid individual or household may be allowed to make monthly payment arrangements, but must make the minimum payment according to the terms of their Repayment Agreement.

**Note:** Claims are addressed in detail in the I&R Manual, Section 300 and 400. Reference should be made to these manual sections for issues/events not addressed in this chapter.

### 762 Definitions Date of Discovery

The date of discovery is the date the Child Care and Development Program staff confirms through investigation of the claim allegation an over issuance has occurred.

**Exception:** Program, Review and Evaluation (PRE) conduct investigations which may generate a potential claim for the review month. Claims resulting from a QC error finding must show the date of discovery as established by the Chief of PRE.

### 763 Claim Classifications

A claim is calculated for client errors, provider errors, DWSS errors or contractor errors. Every claim must be classified through use of one of the definitions below:

#### 1. Client Error

A claim may be classified as a "Client Error" if the error was caused by:

- a misunderstanding or unintended error by any or all members of the child care household; or

- misrepresentation, concealment or withholding of information by any or all members of the child care household.

**Note:** In this instance, evaluate for possible fraud.

## 2. Provider Error

A claim may be classified as a “Provider Error” if the error was caused by:

- a misunderstanding or unintended error by the provider; or
- misrepresentation, concealment or withholding of information by the provider.

**Note:** In this instance, evaluate for possible fraud.

Child Care contractors are responsible for the calculation and collection of provider claims for active providers. Refer to manual section 656 regarding collection of provider claims. Collection activities are defined in the individual provider contracts.

## 3. Division of Welfare and Supportive Services (DWSS) Error

A claim may be classified as a “Division Error”, if:

- DWSS failed to notify the Contractor of a known change to the client’s household and/or DWSS benefits; or
- DWSS reported incorrect information to the Contractor regarding the client and/or their DWSS benefits.

## 4. Contractor Error

A claim may be classified as a “Contractor Error”, if the:

- Contractor failed to take timely action on a reported change; or
- Contractor incorrectly determined and paid any benefits; or
- Contractor erroneously issued duplicate benefits which were used by members of the child care household; or
- Contractor makes any other error which is not related to the client’s withholding or incorrect reporting of eligibility information.

## 770 REPAYMENT RESPONSIBILITY AND RIGHTS

All adult members of the child care household are jointly and separately liable for the value of any over issuance of benefits received by the child care household, unless the over issuance is the result of a DWSS or contractor error as described in section 763.

Non-Needy Caretakers, Kinship Care Recipients, Foster Parents and/or Authorized Representatives are considered part of the child care household when their failure to report or their incorrect reporting of eligibility information causes a claim occurrence.

In cases where the identified claim is a result of a child’s absence from the child care household, the claim is collected only from the adult members of the overpaid household.

**Example:** The child moved out of their mother’s home and into their father’s household. The mother failed to report the change. Using the father’s income,

the child would not be eligible for benefits; however, they continued to use the service. The mother would be liable for repayment of the claim, not the father.

### **771 Right to Appeal**

The responsible individual may appeal the amount and/or how the claim was determined within ninety (90) calendar days from the date of the claim notification. The request must be in writing and forwarded to the Child Care Program Office.

All recovery actions are suspended during the appeal/hearing process until a decision is rendered. If the hearing office determines the claim does in fact exist, responsible person(s) must be re-notified of the claim.

**Note:** Refer to manual section 550 through 563 for further details on the appeal/hearing process.

### **780 CALCULATING A CLAIM**

Claims are calculated whenever documentary evidence substantiates the Child Care and Development Program incorrectly paid benefits to any individual or group of individuals. Claim classifications (Client, Provider, Welfare or Contractor errors) play no part in determining whether a claim is or is not calculated.

### **781 Request Claim Calculation**

Any authorized Child Care and Development Program staff member may request a claim calculation be made by completing section one of the Child Care Overpayment Referral form 2154 –WC A or B and forwarding the original to designated contractor personnel for follow-up. A copy of the form must be kept in the eligibility case file.

### **782 Determining if an Claim Exists**

To determine whether a claim exists, the child care contractor must obtain written verification of the questionable issue. Contractor staff may pursue evidence necessary to proceed with the claim calculation; however, it cannot be requested at the same time information to determine initial and continuing eligibility is being requested. If the information/verification to determine past eligibility/benefits is not provided, it cannot cause a denial/termination for failure to cooperate.

If reasonable attempts made to secure documentary evidence prove unsuccessful, the Contractor may, with written approval from the Child Care and Development Program Chief, terminate calculation efforts.

### **783 Calculation of the Claim Amount**

All claims must be calculated by the child care contractor within sixty (60) calendar days of receipt of all necessary collateral information. Prior to initiating the calculation process, the Contractor must ensure they possess credible evidence, which clearly

substantiates, verifies or confirms the client received benefits they were not entitled to for a specific period of time.

The calculation of any subsidy claim requires a comparison of benefits already received by the child care household minus benefits to which the household was retrospectively entitled. The difference is the claim amount.

Determine the child care claim amount for each month incorrect benefits may have been paid. Budgeting procedures and policy in effect at the time the claim was incurred must be used in the determination of the claim amount.

**Note:** If a Quality Control claim is identified, staff must expand the claim review to the entire certification period to be able to determine the total amount of the claim.

#### **784 Claim Referral to I&R**

Following the calculation of a client error claim, the debt must be referred to DWSS Investigations & Recovery (I&R) Unit via the Investigations and Recovery Information System (IRIS) for pursuit and collection. Use the Child Care Referral form (2154-WC/A) for the claim to be established in the NOMADS system.

Child Care staff shall compile a “claim packet”. The packet must include:

1. Copy or original of all pertinent documents (application, service agreement, picture ID, etc.) contained within the case file;
2. Copy or original of substantiating documentation relative to the claim;
3. A case narrative containing at a minimum how the claim occurred;
4. Documentation of the claim calculation; and
5. A copy of the referral form

The packet must be sent to the I&R Unit responsible for their program office as soon as possible for review and establishment.

**Note:** Claims for active providers are not referred to DWSS. Provider claims are pursued by the Child Care Contractor in accordance with their individual contracts with the child care providers. If a provider is not active, and retention of future payment is not possible to recover a debt, then the case must be referred to I&R for collection, as with a client claim. All supporting evidence of the provider must also be provided in the “claim packet” (see manual section 656 for details).

**Exception:** The Child Care and Development Program Chief or their designee may refer a Provider to DWSS for investigation. Subsequent actions related to the investigation ie prosecution, debt recovery etc. will be performed by I&R staff.

Reimbursement for Contractor and DWSS caused claims will not be pursued from the clients except where the error was the result of:

- An action resulting in a benefit which the client should have reasonably known was an error or mistake; or
- The Child Care case manager and client took action enabling the client to receive benefits he/she was not entitled to.

Contractor and DWSS errors resulting in a claim must be reported quarterly to the Child Care and Development Program Chief.

## 790 HEARINGS

A hearing is an orderly, readily available proceeding before a DWSS Hearing Officer which provides an impartial process to determine:

1. The correctness of an agency action being appealed, and
2. The eligibility of the applicant/recipient as it relates to the issue of the hearing.

**Note:** Hearing Officers may neither hold hearings nor render decisions on the issue of discrimination.

A hearing may be requested by an adult household member or an A/R on any action to deny, reduce or terminate benefits. An adult household member can also request a hearing of an overpayment or an overpayment amount.

All hearings, including a copy of the agency action being disputed, must be submitted to the DWSS Administrative Adjudications Unit (AAU) as soon as possible but no later than 10 calendar days after receipt. The request can be sent by mail, email or fax. The request must contain the claimant's name, address, case number, date received in the Child Care office or DWSS Central Office and the name and address of the A/R, if applicable.

## 791 Time Period for Submitting a Hearing

### Negative Actions:

To request a hearing on a negative decision made by Child Care staff, the client and/or A/R must either complete the Notice of Appeal section on form 2158-WC or submit a written request to the appropriate Child Care office, DWSS District Office or Central Office within 90 calendar days from the date of the Notice of Action. The day after the notice date is the first day of the 90 day period.

If a hearing request is received after the 90 day period, a copy of the hearing request must be sent the DWSS AAU who will notify the household in writing the hearing request has been denied.

Copies of the hearing request and any correspondence with the household regarding the hearing must be kept in the eligibility case file.

**Overpayments:**

To request a hearing on an overpayment, the household must submit the request in writing within 90 days from the date on the Notification of Debt, form 2521-EG. The day after the notice date is the first day of the 90 day period.

**791.1 Continued Benefits**

Households are entitled to continued benefits if the request for a hearing is received no later than 14 calendar days after the effective date of the proposed action. Assistance continues unchanged until the hearing decision is made unless one of the criteria listed in MS 791.2 is met.

**Benefits are not continued if:**

- The client's request is received after the 14-day period;
- A change affecting the client's subsidy occurs after the hearing request, but before a decision is given and the client does not request a hearing after receiving notice of the change;
- Federal law or regulations require reduction or termination of benefits, or
- Benefits are reduced or terminated as a result of mass change without individual notice of adverse action. Benefits can only be reinstated if the issue being appealed is a misapplication of policy or benefits were improperly computed.

If subsidy benefits are continued, such benefits are subject to recovery by the Child Care and Development Program if the client withdraws the hearing request, abandons the hearing, or the Child Care and Development Program's action is upheld by the Hearing Officer.

**791.2 Reducing or Ending Benefits Before the Hearing Decision**

Benefits continued or reinstated during the hearing process cannot be reduced or ended before the hearing decision unless:

- Another change adversely affects the household and a hearing is not requested on the later change, or
- A mass change affects the household's eligibility. (Benefits must be adjusted accordingly.), or
- The client or A/R requests in writing benefits not be continued, or
- The certification period expires.

**Note:** If benefits are continued and the certification period expires, the client can submit a timely reapplication and have eligibility determined for the new certificate period.

**792 Hearing Procedures**

## 792.1 Pre-Hearing Conference

Child Care staff must contact the client or A/R within 10 calendar days of receipt of a hearing request to schedule a pre-hearing conference to discuss the action being contested. The pre-hearing conference shall be held as soon as possible, but no later than 30 days of receipt of the hearing request. The conference can be held in-person or by telephone.

Rescheduling of a pre-hearing conference should be kept to a minimum, assuring completion by the required due date. Rescheduling at the client's request is allowed only if "good cause" is substantiated. Good cause is defined as a factor(s) beyond the client's control such as illness or an unavoidable absence from their area of residence.

Every effort is made to reconcile the contested action without the necessity of a hearing; however attempted resolution at the Child Care office level **DOES NOT** in any manner affect the right to a hearing.

If a pre-hearing conference is held, Child Care staff must complete Conference/Hearings form 2254-EH detailing the conference and the resulting conclusion. Child Care staff must include on the form if the conference is held in-person or by telephone. The client's or A/R's signature is required on the report if the conference is in-person.

If at the conclusion of the pre-hearing conference a withdrawal of the hearing request is requested by the client or A/R, a copy of the Conference/Hearings form detailing the reasons why the request for a hearing is being withdrawn must be completed. A copy of this form must be forwarded to the DWSS AAU within 3 business days following the date of the pre-hearing conference.

If at the conclusion of pre-hearing conference the client or A/R wants to continue with the hearing process, the Conferences/Hearing form will become part of the documents to be presented at the hearing. Refer to MS 794 for additional information on hearing participation.

## 792.2 Disposition of a Hearing Request

A copy of **every** hearing request, whether it is appealable or not, must be forwarded to DWSS AAU within 10 calendar days of receipt. Only a DWSS Hearing Officer can dispose of a hearing. The Hearing Officer will render a written decision within 90 days from the date the hearing was filed. A copy of the written decision will be provided to the client and A/R (if applicable). A copy of the decision will be provided to the applicable Child Care office to be placed in the case file.

### 792.2.1 Agency Withdrawal of a Hearing Request

The Child Care office may reverse its noticed action at any time during the hearing process. If the contested action is reversed after receiving a hearing request, a report must be prepared by Child Care staff. This report must include verification the action under dispute has been resolved and, if applicable, documentation verifying the

application/case has been reinstated. The report must be forwarded to DWSS AAU within 3 business days following the reversal decision date. A copy of the report must be kept in the eligibility case file.

### **792.2.2 Client Withdrawal of a Hearing Request**

The client may withdraw their hearing request verbally or in writing. The written withdrawal must be signed and dated by the client or A/R.

For verbal withdrawals, Child Care staff must provide a written report of the verbal conversation narrating the date of the request, the name of the person requesting the withdrawal and why the request for a hearing is being withdrawn.

A copy of the withdrawal report must be forwarded to the AAU within 3 business days following the date of the withdrawal request.

If the hearing request is withdrawn by the client or A/R, and continued benefits were requested, the previously contested action must be taken immediately (e.g., update the case, reinstate benefits, terminate, etc.). Any excess benefits the household received during the pending period must be referred to DWSS Investigations and Recovery for collection.

### **792.2.3 Denial of a Hearing Request**

A hearing need not be granted when:

- a. The sole issue is either a state or federal law that requires an automatic grant/subsidy adjustment.
- b. Benefits are reduced or terminated as a result of mass change without individual notice of adverse action.
- c. The request is not received timely (see MS 791).
- d. No negative action has been taken; an application which is placed on the wait list is an example of no negative action being taken.

The Hearing Officer will send a denial notification to the client and A/R, if applicable.

### **792.2.4 Abandoned Hearing Request**

A hearing is considered abandoned when neither the client nor their A/R appears for a scheduled hearing after having been properly notified. The Hearing Officer will send appropriate notification to the client and A/R, if applicable. The hearing is considered abandoned unless the client or A/R submits to the Hearing Officer substantiation for good cause for failing to appear. The Hearing Officer must receive the substantiation within 10 days of the date of the abandoned decision notification.

If the hearing is abandoned by the client or A/R, and continued benefits were requested, the previously contested action must be taken immediately (e.g., update the case, reinstate benefits, terminate). Any excess benefits the household received during the pending period must be referred to DWSS Investigations and Recovery for collection.

**793 Scheduling and Location of Hearing**

Upon receipt of the Notice of Appeal (or a written request), the AAU notifies the household and appropriate Child Care staff of the date, time, and location of the hearing. The household is given at least 10 calendar days advance notice prior to the scheduled hearing unless the household requests the hearing be held in a shorter period of time. Clients are given a written explanation of the hearing procedures (Form 2076) with the scheduling letter.

At the discretion of the Hearing Officer, a hearing may be postponed if requested by either party.

Hearings may be conducted via telephone or video conference upon the approval of the Hearing Officer. The Hearing Officer may schedule telephone/video hearings for the sake of economy and expediency for outlying areas or for other extenuating circumstances. If a telephone/video hearing is held, the following procedures apply:

1. Child Care staff must be at the location designated by the scheduling letter.
2. The Hearing Officer may request the Child Care office and the client provide copies of any evidence or exhibits to be presented during the hearing to the Hearing Officer and the other party prior to a scheduled telephone hearing. This does not preclude additional information from being presented during the hearing or, if requested, after the close of the hearing.
3. All telephone/video hearings must be tape/digitally recorded by the Hearing Officer.

**794 Hearing Participation**

Attendance at a hearing is limited to those directly concerned; namely, clients and/or their A/R, interpreter, witnesses and representatives of the Child Care and Development Program. Others may be allowed at the discretion of the Hearing Officer.

It is the responsibility of Child Care staff to organize oral and written evidence and prepare a "BASIS OF ACTION" summary substantiating the decision for presentation at the hearing. The summary must quote applicable law, federal regulations or DWSS policy as it pertains to the action. This summary is read into the record and entered into evidence at the hearing.

Confidential information, such as documents or records containing the names of individuals who have disclosed information about the household without its knowledge or the nature and status of pending criminal prosecutions, is protected from release. Information so protected which the client will not otherwise have an opportunity to challenge shall not be introduced at the hearing. Child Care staff shall have the right, without undue interference, to question the client and/or A/R or any witnesses who present testimony.

**795 Hearing Decision**

The Hearing Officer will render a written decision after a hearing has been held, unless the dispute is otherwise resolved. The decision will be based on evidence and testimony presented at the hearing, as well as applicable law/policy.

Within 90 calendar days after the request for a hearing has been filed the Hearings Officer must notify the household and appropriate Child Care staff of the hearing decision. If the hearing supports the original Agency action, the previously contested action must be taken and the household is required to repay any EXCESS benefit received for the period of time during which the hearing was processed.

**Note:** Child Care staff will forward a copy of the decision to the CCDP Chief. If necessary to restore or increase benefits, refer to manual section 555.

**795.1 Client's Right to Appeal the Hearing Decision**

The client or A/R may appeal the hearing decision to the appropriate district court in Nevada within 90 days from the date of the decision letter.

**796 Restored and/or Increased Benefits**

If it is determined through the hearing process that the client is entitled to restored and/or increased benefits the following procedures apply:

**NO ADDITIONAL INFORMATION OR VERIFICATION IS NEEDED**

Within 10 calendar days from the date the hearing results are date stamped received in the office, benefits for future months must be restored/increased and all benefits for the current and past months for which the household is eligible are to be supplemented.

**ADDITIONAL INFORMATION OR VERIFICATION IS NEEDED**

Within 10 calendar days from the date the hearing results are date stamped received in the office, the household must be provided a Request for Information which identifies information needed to determine eligibility. The household must be allowed at least 10 calendar days to provide for the needed information.

**All needed information requested is received:**

- Within 10 calendar days of the receipt of information, benefits for future months must be increased and/or benefits supplemented for the current and past months.

**Part, but not all, of the information requested is received:**

- Within 10 calendar days from receipt of the information/ verification, benefits must be increased or supplemented accordingly for only those months the information/verification is provided.

**NOTE:** The household’s statement is acceptable verification if no other information is available. Restored benefits should not be denied solely because a third party refuses to provide verification. Upon request, Child Care staff may assist the household in obtaining the needed verification.

**797 Hearing Timeline**

<b>Responsibility</b>	<b>Action</b>	<b>Time Frame</b>
Client	Submit hearing request for negative action	90 calendar days from date of date on the NOA
Client	Submit hearing for an overpayment	90 calendar days from date on the Notification of Debt
Client	Submit request for continued benefits	14 days from effective date of proposed negative action
Child Care	Submit hearing request to AAU	10 calendar days from date of receipt of hearing request
Child Care	Schedule pre-hearing conference	10 days from receipt of hearing request
Child Care	Date of pre-hearing conference	must be held no later than 30 days from receipt of the hearing request
Child Care	Agency or client withdrawal	Within 3 days of action, prepare and send a pre-conference report to AAU
Client	Abandoned hearing	With 10 days of the date of the abandoned decision notification, provide good cause substantiation to AAU
AAU	Schedule Hearing	Provide at least 10 calendar days advance notice of when & where hearing will be held
AAU	Hearing Decision	Within 90 calendar days from receipt of hearing request provide a written decision to the client and Child Care staff
Client	Hearing to district court	Within 90 days from the date of hearing decision
Child Care	<b>Restore or increase benefits</b>	
	No additional information required –	Within 10 calendar days from date of hearing decision
	Additional information required – RFI to be sent	Within 10 calendar days from date of hearing decision; allow at least 10 days for client to provide
	All required information provided	Within 10 calendar days from date of receipt of information
	Not all required information proved	Within 10 calendar days from date of receipt of information; update only those months information provided

# Delegate Agencies

## 800 DELEGATE AGENCIES

A Delegate Agency is a public or private not-for-profit or for-profit organization which provides childcare through a school-age recreational program or an Early Head Start or Head Start agency.

### 801 Subsidy Type Selection

To ensure low income families have access to child care, DWSS, directly or through The Children's Cabinet or Las Vegas Urban League, contracts to purchase a number of child care openings (slots) with a school-age recreational program, an Early Head Start or Head Start agency.

The Delegate Agency must choose to provide services through the Certificate program or the Contract program.

If the Delegate Agency chooses to provide services through the certificate program, they must refer the client to the applicable Child Care staff to apply under the certificate program. An Application for Child Care Subsidy is required to process a case under certificate guidelines.

If the Delegate Agency chooses to provide services through a contract program (Contracted Slots or Wraparound), the Delegate Agency must enter into a written Memorandum of Agreement (MOA) with a Child Care staff or have a contract with DWSS. The contract fund amount provided to each Delegate Agency will be approved by the CCDP DWSS Child Care Chief. The contract amount will be provided to the Delegate Agency as written notification in the MOA or DWSS contract.

## 810 CONTRACTED SLOT PROGRAM

The Contracted Slot Program provides contract funding for an approved number of slots for a before and after school recreational program. Children must be between the ages of 5 and 12 (or 13 through 18 for children with special needs) and the household must have income below 85% of the State Median Income limits (refer to MS 170 for income limits). School-age recreational programs include Boys & Girls Clubs, Safe Key, Latch Key, YMCA, etc.

The Contracted Slot Program cannot be used in conjunction with the Certificate or Wraparound Program for the same child.

The Contracted Slot Program is only allowed to accept certificate case types for clients with a NEON purpose of care. No other certificate case types will be allowed.

## 810.1 Eligibility Requirements

All Delegate Agencies under the Contracted Slot program must meet the following requirements regardless of who is making the eligibility determination:

1. Accept the participant's completed and signed Delegate Agency Enrollment form (contractor form) or Application for Child Care Subsidy form (DWSS form).
2. Request the verifications listed below within 10 days from date application is received by the Delegate Agency Program. The client must be given at least 10 calendar days to provide the required verifications. Refer to MS 133 regarding pending information.
  - a. Obtain a copy of identification for all required adult household members. Refer to MS 212 for additional information.
  - b. Obtain the participant's written self-disclosure (under penalty of perjury) of all non-financial factors of eligibility for all household members which include:
    - Age

**Note:** If services are requested for a child between the age 13 up to age 19, the child must meet all the requirements for a child with special needs as listed in MS 211 and 211.1
    - Social Security Numbers; refer to MS 213 regarding SSN requirements
    - Citizenship
    - Child Immunizations
    - Relationship (of applicant to household members)
    - Custody
    - Residency
    - Household Composition
    - Purpose of Care Schedule
  - c. Inform custodial parents of the assistance listed below that can be provided through the DWSS Child Support Enforcement Program and provide the Child Support Services form 4000-EC to custodial parents if requested:
    - Locating the absent parent(s);
    - Establishing paternity;
    - Establishing and enforcing financial and medical support obligations; and
    - Collecting and distributing child support payments
  - d. Obtain a copy of valid foster license for all foster households

- e. Obtain a copy of the placement letter or referral from the court or social service agency, which defines the child as “foster” or “CPS” and the effective date of the transfer of custody. This documentation is required at initial application for a child.
- f. Obtain the verification per MS 219 through MS 219.2.1 of purpose of care for all required adult members and minor parents of the household. If the participant(s) is not in an activity, i.e., purpose of care, allowed by the Child Care and Development Program, the household is not eligible for subsidy.

**Exception:** The Job Search and NEON Categories are not allowed for anyone applying with a Delegate Agency. Applicants applying for these categories should be referred to the appropriate Child Care and Development Program Office

- g. Obtain the proper verification for all reported countable household income (Employment Verification form, pay stubs, child support payments (informal payments or through court system), Social Security benefits, unemployment benefits, etc.).
3. Within 10 calendar days from receipt of all required verifications, Delegate Agency staff must:
    - a. Convert the reported income into a monthly amount in compliance with the budget methodology set forth in MS 310 through MS 316
    - b. Using the Household Size and Monthly Income Chart in MS 170 determine if the household is eligible for delegate funding based upon their countable income and household size.
    - c. Approve eligibility and forward the information listed below to the appropriate Child Care staff for formal subsidy program enrollment in the computer.
  4. At the end of the current eligibility period, obtain a new application and verify all eligibility requirements before approving any household.

### **810.2 Delegate Agency Determines Household Eligibility for Contracted Slots**

If the Delegate Agency elects to determine the household’s eligibility for the contracted slot program, the Delegate Agency must follow the guidelines listed below:

1. The Delegate Agency requirements:
  - a. Approve eligibility and forward the information listed below to the appropriate Child Care staff for formal subsidy program enrollment in the computer system within 10 calendar days of approval.

- The completed and signed application or Delegate Agency Enrollment form;
  - A cover sheet which provides the following information
    - Delegate Agency name
    - Site Location;
    - Subsidy household size;
    - Names of all children subsidy care is being requested for;
    - Household subsidy percentage;
    - Type of application (new or renewal);
    - Length of certification period
    - Signature of Delegate Agency staff that completed the eligibility determination and the date completed;
  - An income worksheet listing all income and how the delegate agency calculated the monthly income amount
- b. If the Delegate Agency is made aware of changes in a household's circumstances, they must re-address the subsidy eligibility and provide the information/verification of the change to the appropriate Child Care office within 10 calendar days of receipt of the change/verification.

## 2. Child Care staff requirements:

- a. Formal subsidy program enrollment by Child Care staff must be completed in the computer system within 10 calendar days from receipt of the information listed above. Once enrolled in the computer system, Child Care staff will provide the following forms to the Delegate Agency:
- A Notice of Decision (NOD): an eligibility status notification letter for the Delegate Agency records; and
  - A Notice of Action/Notice of Appeal (Form 2158 WC): an eligibility status and appeal form which the Delegate Agency must provide to the household
- Note:** The Notice of Action/Notice of Appeal must also be provided to the household if the case is denied.
- b. Within 10 calendar days of receipt of any changes/verification in a household, update the computer system and notify the Delegate Agency as noted in 2,a above.

### **810.3 Delegate Agency Does Not Determine Household Eligibility for Contracted Slot Program**

If the Delegate Agency chooses not to determine the household's eligibility for a contracted slot program, the agency must work with Child Care staff to obtain information necessary to determine eligibility for the Contracted Slot Program

**1. Delegate Agency requirements:**

- a. Within 10 calendar days of receipt of a completed and signed Delegate Agency Enrollment form or Application for Child Care Subsidy form the Delegate Agency must send a request to the household to provide any required verification listed in MS 810.1. The Delegate Agency will allow the household at least 10 calendar days to return the requested verifications.
- b. Within 10 calendar days of receiving all required verifications, the delegate agency must forward the completed and signed Delegate Agency Enrollment form or Application for Child Care Subsidy form along with all required verifications to the appropriate Child Care office.
- c. If the Delegate Agency is made aware of changes in a household's circumstances they must report these changes in writing to Child Care staff within 10 calendar days after gaining knowledge of the change.

**2. Child Care staff requirements:**

- a. Determine eligibility within 10 days of receipt of a completed and signed Delegate Agency Enrollment form or Application for Child Care Subsidy form and the required verifications;
- b. Send a Notice of Decision (NOD) to the Delegate agency
- c. Send a Notice of Action/Notice of Appeal (Form 2158-WC) to the household;
- d. Within 10 days of receipt of a change, reevaluate eligibility and notify the Delegate Agency and the household of any change in the subsidy case;

**820 WRAPAROUND SERVICES**

The Wraparound Subsidy Program is a program which provides contract funding for an approved number of slots for an Early Head Start or Head Start agency. Children must be between the ages of birth and 5 and be eligible for and attending an Early Head Start or Head Start program.

The Wraparound Program cannot be used in conjunction with the Certificate or Contracted Slot Program for the same child.

The Wraparound Program is only allowed to accept certificate case types for clients with a NEON purpose of care. No other purpose of care certificate case types will be allowed.

**820.1 Additional Information**

The eligibility criteria for Wraparound Subsidy is that a child has been determined eligible for Early Head Start or Head Start based on the Early Head Start or Head Start program rules/criteria and the meet the child care criteria listed below.

- a. All required adult and minor parent Head Start and Early Head Start household members must have POC as defined in MS 219;
- b. The household's total gross income cannot exceed 85% of the State Median income;
- c. The subsidy percentage is based on the Income Limits as defined in MS 170.

**Note:** The rules/criteria for the Early Head Start or Head Start include the definition of household composition, countable income and reporting requirements.

- d. After initial eligibility for Early Head Start is determined, reapplications are not required until the child moves from Early Head Start to Head Start.
- e. After initial eligibility for Head Start is determined, reapplications are not required until the child is no longer eligible for Head Start.
- f. Purpose of Care and schedule must be re-verified every 12 months.
- g. Updates to the Wraparound case are based on written changes/verifications provided by the Early Head Start or Head Start program.

### **830 Additional Requirements for All Delegate Agencies**

Delegate Agencies must:

1. Submit a signed MOA to the Child Care staff or have an approved contract in place with DWSS prior to payment being issued. A new MOA or contract must be signed annually or more often if necessary due to amendments in the MOA or contract.
2. Inform parents of their rights to receive services, rights to appeal and right to file a complaint.
3. Notify the Child Care office in writing of a client's termination for contract care.
4. Maintain all relevant records for a period of 3 years as follows:
  - a. Eligibility Case Files - Maintain complete documentation which supports eligibility decisions for each application for assistance for 3 years from the date the case is denied/terminated/closed or as defined in the MOA or contract. Eligibility records for children who have received subsidy benefits during the last 12 months must be on site at one location for auditing purposes.
  - b. Child Attendance Records - Retain these records for 3 calendar years from the last date of attendance.
  - c. Billing Records - Retain this record for 3 calendar years from the date upon which the bill is paid or rejected.

**831 Subsidy Amount**

The subsidy amount is derived from the Income Limits and Subsidy Percentage chart in MS 170 and is based on the household size and countable income.

The Contracted Slot Program is always paid from the Discretionary Category (see MS 102).

The Wraparound program is always paid from the At-Risk Funding Category (see MS 102).

**Note:** Households who have been assessed an IPV penalty are not eligible for 100% coverage until the penalty period has been exhausted. The Child Care staff must inform the Delegate Agency of an IPV penalty when the household is approved under contract care.

**840 Requirements for Reimbursement**

The Delegate Agency must submit Enrollment Attendance Verification (EAV) billings monthly to the Child Care office on or before the 5<sup>th</sup> business day of each month to ensure timely reimbursement. The EAV must:

- Include the service site/location's name, address, telephone number, and period of time covered; and
- The names of the children for which child care reimbursement is requested and the date and time of attendance; and
- Have each page of the EAV must be signed by an authorized person unless the delegate agency uses electronic means to record attendance.

Reimbursement will be allowed for the entire billing month for a child if:

- The child is eligible for the entire service period and,
- The child attends at least one day during the service period and,
- The Delegate Agency submits a reimbursement request for the child.

**Example:** If the Contracted Slot or Wraparound case is approved with an effective date of 05/01/2009 thru 04/30/2010, the 05/2009 service period can be reimbursed. However, if the case is approved with an effective date of 05/10/2009 thru 04/30/2010, the 05/2009 service period will not be reimbursed, as the child was not eligible the entire service period. Additionally, when a child turns 13 or no longer attends, the monthly service period will not be reimbursed, as the child was not eligible the entire monthly service period.

**Note:** A delegate agency will not be reimbursed above the approved budget in their MOA or contract.

**841 Reimbursement**

For each eligible child, the Delegate Agency's slots will be paid at the state approved rate, using the state maximum daily rate less the participant's co-payment responsibility.

For children 6 years of age through 12 years of age or children with special needs 13 years of age up to 19 years of age, full-time attendance is justified when attendance records validate at least 3 hours of attendance in a calendar day during the billing month.

For children less than 6 years of age full-time attendance is justified when attendance records validate at least 4 hours and 30 minutes of attendance in a calendar day during the billing month.

Attendance less than a full-time day will be paid at the approved part-time rate.

Delegate Agencies must be allowed flexibility in determining the amount of funds needed monthly. The funds must be requested monthly, but the amount billed depends on the needs of the agency. Delegate Agencies cannot request funds that will exceed the approved yearly MOA or contract amount.

Upon approval from the Child Care and Development Program, payment shall be made directly to Delegate Agency within thirty (30) business days of receipt of attendance billings.

**850 Audits**

A case may be selected to review the accuracy of subsidy benefits paid or authorized. Delegate Agencies are required to cooperate with the review process. The Delegate Agency's case files and attendance logs may be requested and compared to the EAVs submitted by the Delegate Agency. The Delegate Agency is required to cooperate with the review process. Refer to MS 152 regarding cooperation requirements.

# Glossary

**185% of Needs** — TANF maximum income test.

**Absent Parent** — A child's parent who is not residing in the home, also known as, non-custodial parent (NCP).

**ACE** — Assistance with Child Care for the Employed

**Active Overpayment** — An overpayment which is open and being pursued and/or paid against.

**Adequate Notice** — Advance notice of an adverse action is provided to the household on proposed case actions. Note: Some actions do not require advance notification. See adverse action requirements for each program.

**Advance Notice** — Adequate notice of adverse action provided at least 10 days before taking an action on an ongoing or open case.

**Adverse Action** — Any Child Care Program action resulting in suspension, reduction, or termination of benefits. Denied cases do not require adverse action.

**AFIA** — Assets for Independence Act

**AJS** — Applicant Job Search

**Annual Fee** — A fee charged by the provider on an annual basis for each child in their care.

**Annualize** — To average income over a 12-month period.

**Annuity** — An amount payable yearly or at other regular intervals.

**Appeal** — An applicant /client's request for a case reviews regarding a Child Care case worker's negative action.

**Applicant** — An individual who applies for subsidy benefits.

**Application** — When receiving requests for assistance, the Child Care Program must accept any designated application form, which contains at least the applicant's name, address, and signature or the signature of a responsible household member or authorized representative. The applicant must answer all the questions on the application before the household can be approved.

**Approval Date** — The date the Child Care case manager signs the certificate authorizing subsidy benefits.

**Assistance with Child Care for Employed (ACE)** — Available to TANF recipients who become ineligible due to obtaining employment, increased hours, earnings, loss of earning disregards. ACE is available for 12 consecutive months following the last month in which they received a TANF cash grant (includes grants under \$10).

**Authorized Representative (AR)** — Someone acting responsibly for a client in the various aspects of the application and/or reapplication process.

**BCIS** — Bureau of Citizenship and Immigration Services (formerly INS)

**BIA** — Bureau of Indian Affairs

**Boarder** — A person living in a Child Care household paying reasonable compensation for room and meals.

**Cafeteria Plan** — A term sometimes used to refer to flexible fringe benefit plans offered to employees by their employers.

**Calendar Year** — January 1 – December 31

**Capital Assets** — The accumulated possessions (property, goods, and products) used to produce income or other goods.

**Capital Gain** — The financial profit from sale or transfer of capital assets.

**CCDF** — Child Care Development Fund

**CCMS** — Child Care Management System

**Centers for Medicare and Medicaid Services (CMMS)** — CMMS rules govern the Medicaid programs.

**Certification Period** — The time period for which subsidy benefits have been approved.

**CHAP (The Child Health Assurance Program)** — Medicaid for children born after 9/30/83, meeting specific requirements (includes pregnant women).

**Child Care Household** — A group of persons who live in the same home, are related by blood, adoption or marriage and whose needs and income are included when determining eligibility for Child Care subsidy benefits.

**Child Care Management System (CCMS)** — The computer system used by the contractors to manage the child care program.

**Child Care Program Contractors** — The Children's Cabinet and Economic Opportunity Board.

**Child Care Program Management Staff** — The contracting agency staff above the case manager level.

**Child Care Program Office** — The contracting agency offices where eligibility is determined.

**Child Care Program Staff** — Any member of the Child Care Contracting Agency related to the Child Care Program.

**Child Support Enforcement Program (CSEP)** — CSEP in Nevada is responsible for the administration of and oversight of child support enforcement activity.

**Client** — An individual who receives benefits from the Child Care Program.

**Closed Overpayment** — An overpayment, which is paid in, full, excused by the court or permanently waived in its entirety by DWSS.

**CMMS** — Centers for Medicare and Medicaid Services

**COLA** — Cost of Living Adjustment

**Collateral Contact** — Person with no vested interest who the worker can contact to verify client information.

**Component (Work)** — A service, activity or program designed to assist TANF recipients to gain skills, training or work experience to increase their ability to obtain employment and achieve self-sufficiency.

**Continued Benefits** — Continuing or restoring benefits to the level authorized immediately before the notice of adverse action.

**Cost of Living Adjustment (COLA)** — An annual increase of benefits based upon the increase in the cost of living.

**Current Verification** — Verification issued within the previous thirty (30) days.

**Custodial Parent** — Parent who has physical and/or legal custody of child(ren).

**DAA** — Drug Addiction and Alcohol

**DAG** — Deputy Attorney General

**Date of Discovery** — The date Child Care Program staff obtains facts indicating an overpayment may exist.

**DCFS** — Division of Child and Family Services

**Department of Health and Human Services (HHS)** — HHS rules govern the TANF/ Employment and Training Programs.

**Dependent Child** — A child under the age of eighteen (18).

**Deprivation** — Loss of parental support caused by death, incapacity, or continued absence of one or both natural or adoptive parents. Deprivation also exists when one or both parents are Voc Rehab participants.

**Derivative Citizenship** — United States citizenship claimed by a person born outside of the U. S. to one or both U.S. citizen parents.

**DETR** — Division of Employment, Training and Rehabilitation

**Disqualification** — Individuals or households disqualified from program participation (ineligible).

**Division of Welfare and Supportive Services** — DWSS (formerly NSWDC)

**Diversion Payments** — Diversion payments are financial assistance payments, designed to meet an immediate emergent need and prevent the family from requiring ongoing cash assistance in accordance with Nevada's or another state's policy provisions.

**DoIT** — Department of Information Technology

**Domicile** — A policy in TANF that requires a child to live with a relative who is within the required degree of relationship.

**Drug Addiction and Alcohol** — A provision included in the Social Security Act.

**DWSS** — Division of Welfare and Supportive Services (formerly NSWDC)

**E&T** — DWSS Employment & Training

**Earned Income** — Income a client receives for a certain degree of activity or work.

**Earned Income Tax Credits (EITC)** — Payments from IRS to persons with tax dependents and gross monthly earnings at or below levels established by the IRS.

**EBT** — Electronic Benefit Transfer

**ECS** — DWSS Eligibility Certification Specialist (case manager)

**EITC** — Earned Income Tax Credits

**Electronic Benefit Transfer (EBT)** — EBT is an electronic system that allows a client to authorize transfer of their government benefits from a federal account to a retailer account to pay for products received. This account, which is accessed by a Food Stamp client with a pin number, is credited with the dollar amount of Food Stamp benefits.

**Emancipated Minor** — A person under age 18 who has been or is married. The marriage must not have been annulled. DWSS requires certain conditions be met before automatically applying emancipated status to a minor.

**Employment and Training (E&T) Program** — The program for employment assistance and work registration of TANF and Food Stamp clients.

**Equity** — The fair market value of an item minus all money owed on it and the cost associated with its sale or transfer.

**ESD** — Employment Security Division

**Essential Person** — The need for a particular member of a household to be in the home on a continuous basis because of the (certified) mental or physical impairment of another member.

**ETS** — DWSS Employment and Training Specialist

**Fair Hearing** — A meeting conducted by the Child Care Program Manager/Administrator with any applicant or client who disagrees with and wishes to appeal some action taken on his/her Child Care case.

**Fair Market Value (FMV)** — Amount of money an item would bring if sold in the current local market.

**FAME** — Acronym for Food Stamp, AFDC, Medicaid and Employment and Training programs. AFDC is now called the TANF program.

**Family Preservation Program (FPP)** — TANF assistance for children with profound or severe mental retardation or children under age 6 with developmental delays.

**FEMA** — Federal Emergency Management Agency

**First Cousin Once Removed** — A person's first cousin once removed is either his (1) first cousin's child, or (2) parent's first cousin.

**First Excess** — A payment sent to a TANF recipient by CSEP. When CSEP receives a child support collection on the current monthly obligation and that exceeds the TANF grant plus the disregard, the excess is sent to the client.

**Fiscal Year** — July 1 – June 30 (State), Oct 1-Sept 30 (Federal)

**Fixed Income** — Income, which does not vary.

**Fluctuating Income** — Income in which the amount varies because of an increase or decrease in hours worked, rate of pay, or inclusion of a bonus.

**FPP** — Family Preservation Program

**FSS** — Family Services Specialist

**Good Cause** — A term used to indicate that a client had an acceptable reason for not complying with a program requirement.

**Grant in Jeopardy of Ineligibility** — CSEP reports a case that is potentially ineligible for the TANF grant because CSEP received child support collection on the current monthly obligation and it equals or exceeds the TANF grant plus the disregard.

**HCFA** — Health Care Financing Agency, now known as Centers for Medicare and Medicaid Services (CMMS)

**Head of Household** — The person who signs an application for assistance and assumes responsibility for the child care household.

**Health Care Financing Agency (HCFA)** — Now known as Centers for Medicare and Medicaid Services (CMMS). CMMS rules govern the Medicaid programs.

**HEAP** — Home Energy Assistance Program

**HHS** — Department of Health and Human Services

**Home Energy Assistance Program (HEAP)** — This program pays benefits twice yearly to help eligible persons pay utility costs.

**Housing and Urban Development (HUD)** — Federal housing agency providing funds to assist needy families/elderly/disabled individuals with housing/shelter costs/mortgages (e.g., the family pays a percentage of the rent/mortgage based on income).

**HUD** — Housing and Urban Development

**IDA** — Individual Development Account

**IFG** — Individual and Family Grant Program

**Illegal Non-citizen Alien** — A non-citizen living in the United States without proper approval from the Bureau of Citizenship and Immigration Services (BCIS) and who has received a final order of deportation.

**IM** — Informational Memorandum

**Immigrant** — Defined by the Bureau of Citizenship and Immigration Service (BCIS) as an alien who is abandoning their residence in a foreign country to live in the United States as a permanent or temporary legal resident.

**INCAP (Incapacitated)** — Individuals temporarily unable through illness/injury to make decisions, be in attendance at interview, or sign documents. Also applies to an individual determined to be incapacitated/disabled to work by a certified physician, the Nevada Medicaid Office, Social Security, Administration, Veteran's Administration, Voc Rehab or any other agency utilizing Social Security criteria.

**Incompetent** — An individual who has been declared permanently or on a long-term basis to be incapable of making legally binding decisions due to physical/mental illness injury. Statements from certified physicians, Social Workers, Voc Rehab counselors, Social Security Administration, Veterans Administration, etc., court orders, and observation are means of verifying incompetence. This term also applies to minor children unable to make legally binding decisions until they are an adult.

**Individual Development Account (IDA)** — The use of Individual Development Accounts (IDAs) are intended to improve the economic independence and stability of individuals and families and to promote and support the transition to economic self-sufficiency. Federal funds match the amount of earnings of low-income working individuals and families. IDA savings are to be used for a first home purchase, post secondary educational expenses, or business capitalization.

The Social Security Act provides for the use of State Family Assistance Grant funds, such as, Temporary Assistance for Needy Families (TANF) and Welfare-to-Work (WtW) funds to be used to establish IDAs for low-income working individuals and families. The Assets for Independence Act (AFIA) provides for IDAs under Head Start, Low Income Home Energy Assistance (LIHEA) and Community Services. IDAs have been established under WtW and Community Services. DWSS is currently evaluating the use of TANF funds for IDAs.

**Informational Memorandum (IM)** — Contains informational items of which contractors should be apprised.

**In-kind Contribution** — Any gain or benefit to a person which is not in the form of money payable directly to the client such as clothing, public housing, or food.

**INS** — Immigration and Naturalization Service (changed to BCIS)

**Institution of Higher Education** — One, which usually requires a high school diploma or equivalency, certificate such as GED to enter. (E.g., business, technical, trade, beauty or vocational school, or enrolled in regular curriculum at a college or university that offers degree programs regardless of whether a high school diploma is required. This includes correspondence and off-campus home-study enrollment.)

**Intentional Program Violation (IPV)** — Purposeful or willful misstatement of information by a client to receive more benefits than they are entitled to.

**Investigations and Recovery (I&R)** — DWSS unit responsible for investigations, recovery of overpayments, prosecution and Medicaid Estate Recovery (MER).

**IRS** — Internal Revenue Service

**Job Search** — Applicants are required to make inquires to at least ten (10) prospective employers per week for no more than 4 weeks at a time.

**Job Training Partnership Act (JTPA)** — Job Training Partnership Act is a federal program offering job training. JTPA replaced the CETA program. The Workforce Investment Act of 1998 replaces the JTPA program.

**JTPA** — Job Training Partnership Act

**Kinship Care Recipient** — An adult present in the home whose needs are not included in the TANF grant, who supervises and cares for the TANF child(ren), and meets relationship requirements, is age 62 or older, has legal custody of the child(ren), and passed a background/fingerprint check.

**Legal Guardian/Caretaker** — An adult, not the natural/adoptive parent, who has legal custody documented through the court system for the children in their care.

**Legal Parents** — Mother, by having given birth to the child or by proof of adoption; father, by proof of adoption, legal document, court adjudication, or his acknowledgment of paternity.

**Legal Requirements** — The non-financial eligibility requirements for a Child Care program child such as age, relationship, domicile, and citizenship.

**Legally Obligated Child Support** — Court ordered or legally recorded document requiring the payments of child support to be made in the form of cash, medical, or to a third party. The official document indicates who the support is paid to and for, the frequency, and the amount of payment.

**LIHEA** — Low Income Home Energy Assistance

**Local Workforce Investment Board (LWIB)** — The LWIB, formerly known as the Private Industry Council (PIC), manages the selection and monitoring of service providers for WtW services.

**Lump Sum Payment** — A financial settlement, which often involves funds, accumulated over an extended period of time.

**LWE** — Limited Work Experience

**MAABD** — Medical Assistance for the Aged, Blind and Disabled

**Major Parent** — The natural/adoptive parent of a minor parent.

**Managing Conservator** — A person designated by a court to have daily legal responsibility for a child.

**Medicaid** — State-paid insurance for eligible TANF grant members, Medical Assistance Program (MAP) recipients, and SSI recipients.

**Medicaid Card** — A certificate issued monthly to eligible TANF/TANF related medical categories/CHAP categories and individuals eligible for SSI/Medicaid.

**Medical Support** — The non-custodial parent may be ordered to obtain health insurance for their children who receive TANF/Medicaid when it is available at a reasonable cost. Available at a reasonable cost is usually defined as being available through the employer. The medical support may be court-ordered as a cash payment. If the children are on assistance, Medicaid will intercept the payments to offset Medicaid expenditures. Direct cash medical support is budgetable income.

**MHDS** — Mental Health and Developmental Services

**Migrant Farm Worker** — Farm workers who are presently employed away from their permanent residence or home base.

**Minor Child** — A person under the age of 18 years old.

**Minor Parent** — An individual who is under the age of 18, has never been married, and is pregnant or the natural parent of a dependent child.

**Monthly Obligation** — The amount of the child support payment, which the non-custodial (absent parent) parent has been ordered to pay each month.

**NCP (Non-Custodial Parent)** — A parent absent from the home or the parent without custody.

**Needy Caretaker (NCT)** — An adult whose needs are included in a TANF grant because they are within the required degree of relationship and are financially eligible according to TANF policy (e.g., grandmother, aunt, uncle, etc.) Note: Two adult relatives (e.g., aunt/uncle/grandmother/grandfather) cannot be included as needy unless they have dependent children of their own and meet TANF deprivation requirements.

**NEON** — New Employees of Nevada

**NESD** — Nevada Employment Security Department (ESD).

**Nevada QUEST Card** — Nevada's EBT card. It is a plastic debit card with the QUEST logo and PAN on the front. A magnetic strip on the back allows the client access to their account when connected with a four-digit secret PIN.

**New Employees of Nevada (NEON)** — TANF recipients who must participate with DWSS Employment & Training Unit.

**NNCT** — Non-Needy Caretaker

**NOCO/NONCOOP** — Acronym for non-cooperation with a program requirement or specific request.

**NOD** — Notice of Decision sent to advise the Child Care household of a case decision.

**NOMADS** — Nevada Operations of Multi-Automated Data Systems

**Non-Needy Caretaker (NNCT)** — An adult present in the home whose needs are not included in the TANF grant, who supervises and cares for the TANF child(ren), and meets relationship requirements.

**NSWD** — Nevada State Welfare Division (changed to DWSS)

**NVRD** — Nevada Vocational Rehabilitation Department (Voc Rehab)

**OBRA** — Acronym for Omnibus Budget Reconciliation Act. A child receiving Medicaid for one year from the date of their birth.

**OJT** — On-the-job training

**Overpayment** — The amount of benefits issued in excess of what should have been issued. Benefits made on behalf of the client to which they were not entitled and they must repay.

**P&P** — Policy and Procedure Inquiry form

**Parent** — Natural/Adoptive parent of a child.

**PASS** (Plans for Achieving Self-Sufficiency) — A program administered by Social Security Administration/Mental Health and Rehabilitation (MHR).

**PCN** (Primary Care Network) — Medicaid enrolled health plan provider.

**Personal Account Number (PAN)** — A 16-digit number embossed on the front of each Nevada Quest Card, and subsequently connected to a client's individual EBT account when the card is issued.

**Personal Identification Number (PIN)** — A four-digit secret alphanumeric code that the client selects to access their electronic benefits account.

**PL** — Public Law

**Point of Sale (POS) Device** — A device that a client “swipes” their card through which allows it to be electronically read. This device is used by participating retailers and allows a client to purchase food items.

**Policy and Procedure Inquiry** — Form used to request guidance/clarification regarding policy and/or procedure. This form is sent to the Chief of Child Care and Development for his response.

**Policy Transmittal (PT)** — Memorandum used for disseminating policy guidance and/or clarification to the contractors prior to its inclusion in the Child Care Policy Manual.

**POS** — Point of Sale

**Post-medical (PM) Four Months, Aid Code PM** — Medicaid insurance coverage extended for a maximum of four months after denial of TANF cases denied because of child support income.

**Prepaid Burial Insurance** — Insurance that pays for a specific funeral arrangement. Also known as pre-need plan or prepaid funeral agreement.

**Processing Time Limits** — Number of days the worker has to complete a particular action.

**Program Violations/Sanctions** — Penalties associated with noncompliance with a Child Care program requirement or disqualification from Child Care program participation.

**Prospective Budgeting** — A way to determine eligibility and benefits using the best estimate of the household's current and future circumstances and income.

**Prudent Person Principle** — Reasonable decision made by staff based on the best information available and common sense in a particular situation.

**PRWORA** — Personal Responsibility and Work Opportunity Reconciliation Act of 1996. This act was signed by President Clinton on August 22, 1996.

**PT** — Policy Transmittal

**Public Law (PL)** — Laws enacted by specific congressional acts.

**Purpose of Care** — An approved activity that does not allow for the parent/caretaker to care for the child(ren). Approved activities are employment, training, educational classes, seeking employment, temporary disability or NEON related requirements.

**Qualified Relative** — Grandparent, great-grandparent, uncle, aunt and adult siblings not living in the same household as the dependent child receiving subsidy benefits.

**Quality Control (QC)** — A group of people who conduct and complete state mandated reviews and report their findings to policy setting officials. This unit also participates in training activities and corrective action to ensure program integrity is maintained for the programs administered by the DWSS.

**Questionable Information** — Information that is contradictory or incomplete.

**Real Property** — Land and any improvements on it.

**Recipient** — An individual who receives services from the Child Care Program

**Reconciliation** — Refers to the process of ensuring that all transactions have been processed accurately and validated.

**Recoupment** — To withhold part of a client's current benefit because of a previous overpayment.

**Registration Fee** — A fee charged by the provider when a child enrolls at their facility.

**Reimbursement** — Repayment for a specific item or service.

**Reinstatement** — Process of reinstating cases that were denied/terminated.

**Repayment Agreement** — A signed agreement between the client and either the provider and/or Child Care Program stating the client will repay any obligation outstanding or benefit for which the client was not entitled.

**Resident Seasonal Farm Worker** — Farm workers who do not leave their permanent residence to work in agriculture or a related industry.

**Resources** — Both liquid and non-liquid assets a client can convert to meet his immediate needs.

**Retirement, Survivors and Disability Insurance (RSDI)** — Social Security benefits issued to persons who are eligible for retirement, disability or survivor benefits due to the death of a parent and/or spouse.

**Retroactive Benefit** — An initial benefit issued for a month approved after the benefit period has passed.

**Review** — An optional case evaluative review by the case worker, supervisor, manager, or Investigations based on reported/unreported changes and other client circumstances.

**Royalty** — A payment to an individual for permitting another to use or market his property (such as mineral rights, patents, or copyrights).

**RSDI** — Retirement, Survivors and Disability Insurance

**RSVP** — Retired Senior Volunteer Program

**Sanction** — A reduction in or ineligibility for benefits because of failure to cooperate with a Child Care program requirement.

**SAVE** — Systematic Alien Verification for Entitlements

**SBA** — Small Business Administration

**Second Excess** — A child support payment sent to a TANF recipient by CSEP. When CSEP receives a child support collection that exceeds the monthly obligation, the excess is applied toward child support arrears. This amount is sent to the client if all past months' unreimbursed TANF have been paid off, and child support arrears are still owed to the client.

**Self-employment Income** — Income available from one's own business, trade, or profession rather than from an employer.

**Service Agreement** — The service agreement explains to the client and/or provider their responsibilities to the Child Care Program and associated penalties which can occur for failure to uphold the agreement. The service agreement with the applicant/client is reviewed and signed at each application and/or redetermination. The caseworker must confirm these obligations have been read/understood by the applicant/client.

**Sibling** — Blood-related or adoptive brother or sister.

**Signature** — The first initial and last name or the entire first and last name. If the client is unable to write, they may use an "X" as their signature/mark.

**SLA** — Supported Living Arrangement

**Sneede v. Kizer** — Special Medicaid category provided to persons ineligible for TANF and there is income or resources of a family member who is not a parent or spouse. Sneede v. Kizer also applies to CHAP and Transitional Medicaid cases.

**SNWIB (Southern Nevada Workforce Investment Board)** — The southern WtW agency which manages the selection and monitoring of service providers for WtW services.

**SSI** — Supplemental Security Income

**Standard of Need/Needs Standard** — Basic needs of TANF families represented by a figure predetermined by the State of Nevada according to the number of persons in the assistance household group. This figure represents food, clothing, housing, utilities, and incidentals. Incidentals include such things as transportation (other than job training or medical transportation), telephone, laundry, medical supplies not paid by Medicaid, home remedies, recreation, and household equipment.

**Step Grandparent** — The spouse of a blood-related grandparent.

**Stepparent** — Spouse of the natural/adoptive parent, not blood-related.

**Subsidized Housing (SH)** — Housing which is subsidized allowing the TANF/CHAP household reduced rent/mortgage payments.

**Supplemental Benefit** — Additional benefits for any month in which the household has received initial benefits.

**Supplemental Payment** — A payment made in addition to the regular monthly payment.

**Supplemental Security Income (SSI)** — A needs-tested program administered by the Social Security Administration providing monthly income to aged, blind, and disabled individuals, including children.

**Suspended Overpayment** — An overpayment which recovery steps have been either unsuccessful due to loss of contact, loss of income (expenses exceed income), or temporarily waived by DWSS.

**Systematic Alien Verification for Entitlements (SAVES)** — A database DWSS employees can access to determine the citizenship status of a non-citizen.

**TANF (Temporary Assistance for Needy Families), Aid Code AF** — The block grant which states receive to fund their public assistance program. TANF replaces Aid to Families with Dependent Children ( AFDC). A Welfare check or warrant.

**TANF-related Medicaid, Aid Code AM** — A category of medical assistance for families meeting certain TANF criteria which may be received with or without associated TANF (cash) benefits.

**Ten-Ten-Ten Concept** — Concept used to determine the earliest month a change could be effective for Child Care benefits when determining the first month of an overpayment. The client has 10 days to report the change; the case manager has 10 days to take action on the change; and the advance notice of adverse action expires in 10 days. Quality Control uses this concept in determining an error on unreported changes or untimely case actions.

**Term Life Insurance** — Life insurance with no cash or loan value.

**Terminated Overpayment** — An overpayment, which has exceeded its legal time, limit for collection.

**Third Party** — Person or organization outside the child care household.

**Transitional Medicaid, Aid Code TR** — Medicaid insurance coverage extended for a maximum of 12 months after termination of certain TANF cases because of new or increased earnings, or loss of earned income disregards.

**Transitional Medicaid (TR) Quarterly Reporting** — To continue eligibility, the transitional Medicaid client must report earnings, child care expenses, and household composition changes in the 4th, 7th, and 10th months of the transitional Medicaid 12-month period.

**Tribal Marriage** — Marriages conducted under the provisions of the laws established by each tribe. These marriages are legally recognized in Nevada.

**Trust** — Property held by one person for the benefit of another. All trusts are referred to the State Child Care Coordinator to be forwarded to the Deputy Attorney General (DAG).

**UIB** — Unemployment Insurance Benefits

**Unable to Locate (UTL)** — Sometimes used in case record documentation or by the post office when returning mail for a client.

**Underpayment** — When the client is issued additional benefits because the original benefit was less than they were entitled to.

**Unearned Income** — Payments received without performing work-related activities, including benefits from other programs.

**Universal Life** — Life insurance which may or may not have a cash surrender value.

**Vendor Payments** — Payment made directly to the client's creditor or person providing the service by a person or organization outside the household.

**Verification** — Documentation that substantiates household eligibility requirements.

**Vested Interest** — A situation or circumstance to which a person has a strong personal commitment.

**VISTA** — Volunteers in Service to America

**Voc Rehab** — Department of Vocational Rehabilitation.

**Waiver of Continued Benefits** — A client option to allow the worker to process an adverse action during the client's appeal process.

**Welfare-to-Work (WtW)** — Provides transitional employment services for the hardest-to-employ (HTE) welfare recipients and non-custodial parents to assist in moving them into unsubsidized employment.

**Whole Life Insurance** — Life insurance that has a cash surrender value. Loans may be taken out against whole life policies.

**WIA** — Workforce Investment Act of 1998

**Work Registration** — Food Stamp eligibility requirement that all nonexempt household members be registered for employment. DWSS considers all applicable individuals to be work registered who are required to meet work requirements.