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POLICY TRANSMITTAL NO. 07-09	DATE: MAY 25, 2007
FAMILY SUPPORT SERVICES DIVISION	DEPARTMENT OF HUMAN SERVICES OFFICE OF LEGISLATIVE RELATIONS AND POLICY

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TO: ALL OFFICES

SUBJECT: MANUAL MATERIAL

OAC 340:40-3-1; 40-5-1; 40-7-1; 40-7-13; 40-9-1 through 40-9-3;  
40-10-4; 40-13-1 through 40-13-3; and 40-13-5.

EXPLANATION: **Policy revisions were approved by the Commission and the Governor as required by the Administrative Procedures Act.**

OAC 340:40-3-1 is amended to: (1) allow staff to use the same application form when the client is denied and then found eligible within 60 days of the original request date; (2) add clarifying information; and (3) remove obsolete language.

OAC 340:40-5-1 is amended to: (1) remove the requirement for an emergency contact; (2) add clarifying language; and (3) remove obsolete language.

OAC 340:40-7-1 is amended to: (1) include an exception to a child being predetermined eligible for a zero co-payment when it benefits the family to include the child in the same household with other children considered income eligible; and (2) add clarifying information.

OAC 340:40-9-1 is amended to: (1) change information regarding benefit reporter households to allow for annual reviews; (2) add clarifying information; and (3) remove obsolete language.

OAC 340:40-9-2 is amended to: (1) remove internal procedures; and (2) correct a reference citation.

OAC 340:40-7-13, 40-9-3, and 40-10-4 are amended to: (1) add clarifying information; and (2) remove obsolete language.

OAC 340:40-13-1 is amended to remove: (1) the requirement for a yearly consultation for children approved for a severe special needs rate to coincide with Division of Child Care (DCC) policy; and (2) obsolete language.

OAC 340:40-13-2 is amended to: (1) allow a household member to be approved as an in-home provider if he or she quits a full-time job to do so; and (2) remove obsolete language.

OAC 340:40-13-3 is amended to remove obsolete language.

OAC 340:40-13-5 is amended to: (1) add the requirement that a child care provider applying for a child care contract must provide a copy of the Oklahoma State Bureau of Investigation (OSBI) background investigation report; (2) add the requirement that if the provider is a center provider, proof of the employer identification number must be provided to the child care liaison; (3) remove the requirement that a new child care provider contract must be completed when a provider changes address; (4) add clarifying information; and (5) remove obsolete language.

Original signed on 4-24-07

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Mary Stalnaker, Director  
Family Support Services Director

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Sharon Neuwald, Coordinator  
Office of Legislative Relations and Policy

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WF # 06-18 (NAP)

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## **INSTRUCTIONS FOR FILING MANUAL MATERIAL**

OAC is the acronym for Oklahoma Administrative Code. If OAC appears before a number on an Appendix or before a Section in text, it means the Appendix or text contains rules or administrative law. Lengthy internal policies and procedures have the same Chapter number as the OAC Chapter to which they pertain following an "OKDHS" number, such as personnel policy at OKDHS:2-1 and personnel rules at OAC 340:2-1. The "340" is the Title number that designates OKDHS as the rulemaking agency; the "2" specifies the Chapter number; and the "1" specifies the Subchapter number.

The chronological order for filing manual material is: (1) OAC 340 by designated Chapter and Subchapter number; (2) if applicable, OKDHS numbered text for the designated Chapter and Subchapter; and (3) all OAC Appendices with the designated Chapter number. For example, the order for filing personnel policy is OAC 340:2-1, OKDHS:2-1, and OAC 340:2 Appendices behind all Chapter 2 manual material. Any questions or assistance with filing manual material will be addressed by contacting Policy Management Unit staff at 405-521-4326.

<b><u>REMOVE</u></b>	<b><u>INSERT</u></b>
340:40-3-1	340:40-3-1, pages 1-12, revised 6-1-07
340:40-5-1	340:40-5-1, pages 1-15, revised 6-1-07
340:40-7-1	340:40-7-1, pages 1-4, revised 6-1-07
340:40-7-13	340:40-7-13, pages 1-4, revised 6-1-07
340:40-9-1	340:40-9-1, pages 1-7, revised 6-1-07
340:40-9-2	340:40-9-2, pages 1-11, revised 6-1-07
340:40-9-3	340:40-9-3, pages 1-4, revised 6-1-07
340:40-10-4	340:40-10-4, pages 1-5, revised 6-1-07
340:40-13-1	340:40-13-1, pages 1-5, revised 6-1-07
340:40-13-2	340:40-13-2, pages 1-4, revised 6-1-07
340:40-13-3	340:40-13-3, pages 1-6, revised 6-1-07
340:40-13-5	340:40-13-5, pages 1-14, revised 6-1-07



**340:40-3-1. Application process**

(a) **Application process.** The application process for subsidized child care benefits begins with a request for an application form and ends with determining the household's eligibility and entering that determination into the computer system.

(1) **Staff responsible for processing the application.** A Family Support Services (FSS) worker completes all applications when an eligibility determination for a family must be made. FSS workers also complete applications for children in tribal custody, children under an Interstate Compact on the Placement of Children (ICPC) with another state, or when Child Welfare (CW) staff contract with an outside agency to provide protective or preventive child care services. CW staff must process all applications made by CW foster parents for child care. In most instances, CW staff complete protective or preventive child care requests when they are working with the family and recommending protective or preventive child care.

■ 1

(2) **When an application is required.** A new application is required when:

(A) an applicant initially applies for subsidized child care benefits;

(B) expedited eligibility processing was used in accordance with subsection (b) of this Section and requested verification is not returned within 60 calendar days of the application date;

(C) the payee for the subsidized child care benefits changes;

(D) the client's subsidized child care benefits close after approval for 30 calendar days of child care to search for a job in accordance with OAC 340:40-7-8(a)(6);  
or

(E) the client's subsidized child care benefits have been closed for more than 30 calendar days.

(3) **Who can apply.** An applicant or the applicant's authorized representative may apply for subsidized child care benefits. If an authorized representative applies on behalf of an applicant, he or she must bring a signed statement from the applicant giving this person permission to act on behalf of the applicant or the applicant must have designated this person as his or her authorized representative on the signed application. ■ 2

(A) If the natural or adoptive parent or stepparent of the child is in the home, he

or she is considered the applicant and eligibility is based on that parent's situation regardless of whether he or she has custody of the child.

(B) If both the natural and adoptive parent of the child are living in the same household and the adoption has been finalized, the adoptive parent is considered the applicant and eligibility is based on that parent's situation.

(C) If the natural or adoptive parent or stepparent is not in the home, the person acting in the role of the parent, referred to as the caretaker, is the applicant. The caretaker may or may not be related to the child. ■ 3

(D) If the parent is a minor, either the minor parent or the responsible adult the minor is living with can be considered the applicant for the subsidized child care benefits. Eligibility is based on the minor parent's situation. ■ 4

(E) If the natural or adoptive parent is living in the home but is too incapacitated to apply, someone else living in the home may apply for the natural or adoptive parent. The other person must provide proof of the parent's inability to apply. ■ 5

(4) **Application form.** An applicant or the applicant's authorized representative completes and signs Form 08CC002E, Application for Child Care Services, or Form 08MP001E, Comprehensive Application and Review, to apply for subsidized child care benefits. ■ 6 When child care is needed for a child with disabilities, the worker and applicant also complete Form 08AD006E, Certification for Special Needs Child Care Rate. ■ 7

(5) **Date of request.** The date of request is the date the applicant requests subsidized child care benefits verbally or in writing. ■ 8

(6) **Date of application.** The date of application is the date the applicant or the applicant's authorized representative completes the child care interview and provides all necessary verification to the human services center. This includes providing the name of the child care provider the client wishes to use. ■ 9

(A) The provider must already have a valid Oklahoma Department of Human Services (OKDHS) child care provider contract.

(B) See OAC 340:40-5-1(7) for reasons an applicant cannot choose certain child care providers.

(C) For applicants choosing an in-home provider, see OAC 340:40-13-1 and

340:40-13-2.

(7) **Child care interview.** Child care interviews are typically completed face-to-face with the applicant or authorized representative. A face-to-face interview is required for protective or preventive child care requests and strongly recommended for special needs requests. ■ 10

(8) **Explanation of eligibility factors.** At the time of the initial interview, the worker advises the applicant or authorized representative of: ■ 11

(A) his or her rights and responsibilities;

(B) all factors of eligibility including which child care providers are eligible to receive subsidy payment;

(C) the plan of service and reason child care may be approved based on the applicant's statements at interview;

(D) the applicant's electronic benefit transfer (EBT) responsibilities that includes viewing the client training video. ■ 12

(E) the earliest date child care can be approved;

(F) the requirement to cooperate with the OKDHS Office of Inspector General during any audit or investigation of the applicant or the provider the applicant uses for child care; and

(G) the requirement to report within ten calendar days any changes in his or her circumstances. ■ 13

(9) **Timeliness.** Near real-time (NRT) benefit processing time frames are used for all child care applications. To be considered timely, the worker must determine eligibility within two working days of receiving all necessary verification to certify or deny the application. If the applicant does not provide requested verification, the worker denies the request within 30 calendar days of the date of request. The worker sends Form 08MP037E, Notice Regarding Social Services, explaining the reason for delay to any applicant whose application is over 30 days old.

(10) **Right to appeal.** The applicant has the right to appeal the untimely processing of a child care request or the decision of eligibility or ineligibility per OAC 340:2-5.

(b) **Expedited eligibility processing.** The worker must process an application

immediately when required verification is beyond the applicant's control to provide, the applicant does not have the money to pay toward the cost of child care, and without child care the applicant: ■ 14

- (1) is in danger of losing a job; or
- (2) cannot start a new job.

(c) **Eligibility determination.** The worker uses OKDHS Appendix C-4, Child Care Eligibility/Rates Schedule, to determine whether the household meets income guidelines. See OAC 340:40-5-1(8) for more information about income determination.

(1) **Applicant determined eligible.** The earliest date the worker approves subsidized child care benefits is the date the applicant provides all necessary verification to determine eligibility. The applicant is responsible for any child care used before the certification date or which is not part of the approved child care plan of service. ■ 15

(A) The client swipes attendance with his or her EBT card through a point-of-service (POS) machine at the child care facility.

(B) OKDHS does not pay for care for any day the child attends child care if the client fails to swipe attendance unless extenuating circumstances exist beyond the control of the client and/or provider. ■ 16

(C) If the client fails to swipe attendance, he or she is responsible for any care given for that day and may be responsible for any absent day payment OKDHS pays if all days the child attended were recorded.

(2) **Applicant determined ineligible.** The request or application is denied if the applicant is ineligible, does not provide needed verification, or requests cancellation of the application. ■ 17 A new application form is not needed when the applicant completes the application process and provides necessary verification within 60 calendar days of the original request date. ■ 18

#### INSTRUCTIONS TO STAFF 340:40-3-1

1. (a) See OAC 340:40-7-8(e) for information about processing Family Support Services (FSS) protective or preventive child care requests. The county director decides which worker, FSS or Child Welfare (CW), completes a protective or preventive child care request when responsibility is unclear.

**(b) When a child is in a tribal foster placement, the worker contacts the tribe to determine whether child care funds are available through the tribe prior to approving child care. The foster parent can choose to receive subsidized child care benefits through the Oklahoma Department of Human Services (OKDHS) and the tribe may pay the client's family share co-payment. The child care provider may not file a claim with both OKDHS and the tribe.**

**(c) When a child is under an Interstate Compact on the Placement of Children (ICPC) with another state, the local ICPC worker advises FSS staff whether the foster family is receiving funds for child care from the other state. If funds are available for child care, the worker denies the application.**

**(d) When the CW worker considers a family at risk for child abuse and neglect but the family is not court involved, the CW worker may contract for Comprehensive Home-Based Services (CHBS) with the Oklahoma Children's Services (OCS). When CW is not maintaining an open CW case, the FSS worker completes the application for protective or preventive subsidized child care benefits.**

**(e) When a child is placed with a foster parent whose foster care payment is pending, the CW worker is responsible for processing the child care application. If the child is placed in a non-paid foster home and CW has no plans to pay the foster parent, the FSS worker is responsible for processing the child care application.**

**(f) See OAC 340:75-7-65 for CW foster care child care requirements and OAC 340:75-6-91 for CW preventive child care cases.**

**2. (a) An authorized representative is an individual who is knowledgeable of the household circumstances. The child care provider or an individual working for the child care provider cannot be the authorized representative. The worker contacts the applicant to determine whether:**

**(1) the household has freely requested the assistance of the authorized representative;**

**(2) household circumstances are correctly reported; and**

**(3) the applicant understands that he or she is held liable for any overpayment that results from erroneous information given by the authorized representative.**

(b) The worker must enter information about the authorized representative in the Information Management System (IMS) using the computer transaction EBTU before an electronic benefit transfer (EBT) card can be issued.

3. See OAC 340:40-7-6(c) when the absence of the parent is temporary.
4. Only the minor parent's income and need factor is used to determine the child's eligibility for subsidized child care benefits. See OAC 340:40-7-6(b).
5. This situation can occur if the parent has severe mental retardation or was seriously injured. The person acting on the parent's behalf must provide documentation from a professional working with the parent stating why the parent is incapable of completing the application or designating an authorized representative.
6. A signature submitted through an imaged document by e-mail or a fax machine is acceptable on an initial application if there is an access issue for a client to apply for benefits in person. If an application is e-mailed or faxed and the client comes to the office for an interview, the worker obtains an original signature during the interview.
7. See OAC 340:40-7-3.1 for more information on approving a child with disabilities for the higher special needs rate at the chosen facility.
8. (a) The date of request is entered in the Family Assistance/Client Services (FACS) Eligibility Notebook, Social Services tab in the "App Date" field E1 before an EBT card can be issued. When the worker is ready to certify or deny benefits, the date of request is also entered in the FACS Eligibility Notebook, Auth. Daycare tab in the "Child Care Req Date" field K9.  
  
(b) When the child care request is mailed or left at the human services center, staff contact the applicant that same day to explain that a child care interview must be completed and to advise what verification must be provided before an application date is assigned. A telephone interview is appropriate in this instance if it best meets the needs of the applicant. If the worker cannot reach the client by telephone, he or she sends Form 08AD092E, County Client Contact and Information Request, advising the client of the need for an interview and verification.
9. (a) The only time the date of request and the date of application are the same date is when the applicant completes a child care application, is interviewed,

and provides all necessary verification on the same day. Eligibility factors which must be verified by the worker before approving subsidized child care benefits are found in OAC 340:40-7. The applicant must also advise the worker of the name of the child care provider he or she plans to use before the application date is determined.

(b) It is important that applicants know right away if they choose an ineligible provider so a different choice can quickly be made. If the applicant chooses a child care provider who does not have a valid contract with the Oklahoma Department of Human Services (OKDHS), the worker must inform the applicant that the earliest date child care can be approved is the day a contract is granted. Payment for any child care used prior to that date is the responsibility of the applicant. The worker can determine when a new contract is granted by entering in IMS, PCI space and the contract number. The date shown under "original contract date" is the earliest date services can be approved.

(c) The worker enters the date of application in the FACS Eligibility Notebook in the Social Services tab, "Cert Date" field E2 and in the Auth. Daycare tab, "Begin/Change Date" field K45 if the applicant needs care on this date. If the applicant does not need care until a future date, the worker enters that future date in the "Begin/Change Date" field K45.

(d) If the applicant provides all requested verification and the worker then determines more verification is still needed, the application date entered is the date the applicant provides the initially requested verification.

**10.(a)** The interview must be completed with the person who signs the application or the household's authorized representative. The applicant must designate the authorized representative in writing prior to the interview. The worker explores the applicant's eligibility for child care and advises the applicant of any other OKDHS programs for which the applicant might be eligible. The worker also arranges for the client to view the video, "EBT Child Care," explaining the EBT system. Human services center staff are encouraged to develop at least two methods to assist applicants in accessing subsidized child care benefits. Examples of possible methods include:

(1) extended office hours;

(2) telephone interviews with the client when a face-to-face meeting would cause a client to miss work or school. A signed Form 08MP001E,

Comprehensive Application and Review, or Form 08CC002E, Application for Child Care Services, must be received before the worker approves subsidized child care benefits. The entire application must be completed before the applicant signs the signature page of Form 08MP001E or Form 08CC002E;

(3) outstationing staff where needed to take applications;

(4) training volunteers to take face-to-face applications. Volunteers include interested employers, child care providers, school counselors, Workforce Oklahoma Center staff, and church or civic group members. Interested volunteers must be approved by the county director and must be fully trained by human services center staff prior to taking applications. Training must include information about:

(A) completing Form 08MP001E or Form 08CC002E;

(B) documenting eligibility criteria;

(C) developing a plan of service;

(D) safeguarding client information; and

(E) sending the application to the human services center within a set time frame after the interview is completed;

(5) utilizing a home visit. See OAC 340:65-3-4(1) regarding home visits. If the worker schedules a home visit, it is normally planned so the worker has an opportunity to meet everyone in the household. The worker plans the visit at a time which does not interfere with the applicant's job or the child's school schedule; and

(6) allowing a client to be interviewed in a non-resident county if it is more convenient for the client.

(b) Human services center staff make every effort to interview the applicant on the date of request to ensure the applicant knows what he or she must provide before a child care request can be considered an application. When the child care request is mailed or left at the human services center, staff contact the applicant that same day to explain that a child care interview must be completed and to advise what verification must be provided before an

application date is assigned. A telephone interview is appropriate in this instance if it best meets the needs of the applicant. If the worker cannot reach the client by telephone, he or she sends an 08AD092E advising the client of the need for an interview and verification.

**11.(a) The worker advises the applicant that the plan of service may change depending on the documentation the applicant provides to verify the applicant's need for child care.**

**(b) The worker secures the applicant's signature on the appropriate form. At the end of the interview, the worker gives or mails to the applicant or the authorized representative:**

**(1) a copy of the application if he or she requests it and two copies of the Client Child Care Responsibilities and Service Plan Agreement page, one for the client and one for the provider the client chooses. The worker advises the client to give the second copy of the Client Child Care Responsibilities and Service Plan Agreement page to the child care provider so he or she is aware of the approved hours of care; and**

**(2) the pamphlet "Child Care Services Tip Sheet for Clients and Providers," OKDHS Pub. No. 01-14.**

**(c) See OAC 340:40-7 for details regarding conditions of eligibility, including need, and OAC 340:40-5 for detailed information regarding completing a plan of service and those child care providers who cannot be approved for subsidy payment.**

**(d) The worker gives or mails Form 08AD092E to the applicant when verification must be provided before subsidized child care benefits can be approved. When Form 08AD092E must be mailed, the worker calls the applicant, if a telephone number is available, to advise him or her what verification is needed before mailing the form. If the worker is able to reach the applicant by telephone, he or she advises the applicant that a child care request is not considered an application until all necessary verification is received.**

**12. The video explains:**

**(1) proper care and use of the client's electronic benefit transfer (EBT) card;**

**(2) the client's responsibility to swipe accurate attendance before OKDHS helps pay for the child's care; and**

**(3) the need to contact the worker immediately if a problem occurs so that it can be resolved within ten calendar days.**

**13. See OAC 340:40-9-2 for the types of changes that must be reported.**

**14. (a) An example of verification being beyond the applicant's control to provide includes instances when an employer refuses to verify income for an employee until a paycheck is received. In instances such as this, the applicant must still provide all other verification that is within his or her control. The worker uses the applicant's statement for the verification that is out of the applicant's control to provide. The worker certifies the application for a maximum of 30 calendar days.**

**(b) The applicant is not automatically assigned a zero family share co-payment because the expedited process is used. The worker still uses the income processes described at OAC 340:40-7-10 through 40-7-13 to determine what income to count and when. In the case of two-parent families, when one parent has been working for some time and the other parent is just starting a new job, the worker counts the income of the parent who has been working to determine the family share co-payment.**

**(c) The worker gives the client Form 08AD092E showing all verification he or she still needs to provide before further eligibility can be established. The client must provide verification no later than the last day of the 30 day expedited approval period to preserve the same application date.**

**(d) If the client provides verification within 60 calendar days of the original request date, a new application is not needed. The worker approves the authorization beginning with the date the client provides required verification. If the client does not provide required verification within 60 calendar days, the worker closes the Social Services tab in the FACS Eligibility Notebook unless it must remain open for another reason.**

**(e) The worker does not approve a new expedited eligibility period unless the client provided all requested verification from the last expedited approval.**

**(f) To authorize care for only 30 calendar days, the worker enters a certification action in the Auth. Daycare tab. Immediately after that action**

clears, the worker enters a closure action.

(g) When the client swipes attendance at the child care facility, the provider can see whether care is approved on the point-of-service (POS) machine tape.

(h) When the client provides requested verification needed to determine continued eligibility within 30 calendar days and the client continues to use the same provider, the worker reopens the closed authorization. The worker enters a new authorization if the client chooses a new provider or the prior authorization cannot be reopened.

(i) To reopen an authorization the worker enters an R in the "action taken" field K12 and an A in the "notice indicator" field K92 of the Auth. Daycare tab as well as any other fields where changes are needed. If the family share co-payment is different than originally determined, enter all necessary information in the Household, Income, and Social Services tabs in the same action or prior to reopening the authorization so the correct family share co-payment maps to the authorization.

(j) An overpayment is not written on the expedited services period unless the worker and supervisor believe the client intentionally provided incorrect information. In those instances, the worker sends an overpayment memo to the FSSD Overpayment Section.

**15.** If the applicant chooses a provider that has not yet been granted a contract, see Instructions to Staff 7(b). To certify the subsidized child care benefits, the worker enters the Daycare, Household and Income tabs of the FACS Interview Notebook as well as the Auth. Daycare and Social Services tabs in the FACS Eligibility Notebook. See OAC 340:40-5-1 for details regarding the plan of service. See OAC 340:40-9-3 for notice requirements. See OKDHS Appendix C-4-B, Weekly Unit Type Guidelines, for information on when a weekly unit type is approved, the minimum number of days a child must attend to qualify for an absent day payment, and the maximum number of days that can be paid in a given month. See OAC 340:40-10-4 for information about the child care payment process that includes manual claims.

**16.** Circumstances beyond the control of the client and/or provider include, but are not limited to, some type of worker or system error.

**17.(a)** The worker denies the child care request if the applicant does not provide, within the agreed upon time frame, verification necessary to certify subsidized

child care benefits, including the name of the child care provider the applicant intends to use. The worker provides information and referral services that may be helpful to the family in developing alternative arrangements.

(b) See OAC 340:40-9-3 for notice requirements. The worker denies the child care request in the FACS Eligibility Notebook, Auth. Daycare tab by entering:

- (1) "Person Number" field K4;
- (2) "Action Taken" field K12;
- (3) "Reason" field K16;
- (4) "Child Care Req Date" field K9;
- (5) "Begin/Change Date" field K45; and
- (6) "Adult Day Services" field K95.

(c) If the child care provider's contract number is known and entered in "Contract Number" field K40, a notice computer-generates to both the applicant and the child care provider.

**18. The client must be determined eligible within 60 calendar days of the original request date. If it takes more time to determine eligibility, a new application is required.**

**340:40-5-1. Plan of service**

**Plan of service.** Providing child care is part of an overall plan of service designed to help the parent or caretaker with whom the child lives to achieve his or her maximum potential for self-support. Quality child care services assure the parent or caretaker that each child has adequate care that affords developmental and learning experiences while the parent or caretaker is engaged in self-support activities. ■ 1 The plan of service consists of many components that all link to form a goal-directed plan of care, and includes the components in (1) through (11).

(1) **Child characteristics.** The worker gathers information about the child for whom child care is needed including his or her name, age, grade level, and whether the child has a disability. ■ 2

(2) **Need for child care.** The worker determines whether the parent or caretaker meets a need factor in accordance with OAC 340:40-7-7 and 340:40-7-8.

(3) **Plan hours.** The worker gathers information about the days and hours the parent or caretaker meets the need factor, including travel time. When there are two parents or caretakers in the home, the worker only approves subsidized child care benefits when both parents or caretakers meet a need factor during the same hours in accordance with OAC 340:40-7-7 and OAC 340:40-7-8. Based on the days and hours the child requires care, the worker approves a full-time daily, part-time daily, a combination of full-time and part-time daily, weekly, or a blended unit type. ■ 3

(4) **Alternative to subsidized child care benefits.** The worker explores with the client whether there is an appropriate, feasible alternative to Oklahoma Department of Human Services (OKDHS) subsidized child care benefits. If the alternative is a spouse or the natural or adoptive parent of the child who lives in the home, the client must use the alternative rather than subsidized child care benefits. If the alternative is someone else, the client has a choice whether to use this alternative or not. ■ 4 Possible alternatives include:

(A) care by a dependable relative who is able and willing to assume responsibility for care and supervision of the child for part of the day;

(B) care in a free or low cost facility, such as a preschool, pre-kindergarten, kindergarten, Head Start, Early Head Start, or tribal child care program; ■ 5

(C) dependent care expenses that are considered as earned income exemptions, per OAC 340:10-3-33(3); and

(D) for a school age child, the rearrangement of the parent's or caretaker's employment or training schedule to coincide with the hours the child is in school.

(5) **Plan to increase income.** At each application or review the client and worker discuss ways the client can increase income to the household and identify the goals child care helps the family achieve. Together they estimate when the family can assume progressively greater responsibility for the cost of child care. The worker makes referrals to other agencies as appropriate and in accordance with OAC 340:40-7-9. ■ 6

(6) **Back up plan.** The worker discusses with the client the back up plan for child care that is in place if the child cannot go to the usual provider because of illness, school holidays, or other unforeseen emergency. The back up plan includes the name and address of a person the client feels he or she can rely on when the normal plan of care cannot be used. ■ 7

(7) **Choice of provider.** The worker documents the choice of provider on the application or review form. If the client does not choose a provider at the time of request, the worker provides the client with information to help in making the choice. The client may choose a family child care home regardless of star level. ■ 8 The client may not choose a child care:

(A) facility that does not have a valid contract with OKDHS;

(B) facility in which the client or his or her spouse, including the child's parent or stepparent, has an ownership interest;

(C) home in which the child resides;

(D) home in which the client also works during the hours his or her child(ren) is in care unless an approval is obtained from the Family Support Services Division (FSSD), Child Care Section; ■ 9

(E) provider who does not allow parental access during the hours the provider is caring for children;

(F) provider who is receiving state or federal funds, such as Head Start, Early Head Start, or public schools, unless:

(i) all parents are charged a fee for the hours subsidy payment is requested;  
and

- (ii) the program offers extended day services. Programs operating only during typical school or Head Start hours are not eligible; ■ 5
- (G) provider caring for a school age child during the regular school day when such student could be attending a public or private school during those hours; or ■ 10
- (H) center, which is a one star facility unless there are no one plus, two, or three star centers in the community or special exception criteria are met. Special exception criteria are:
- (i) the child was already approved for care at this one star center prior to January 1, 2003 or prior to the provider's star status being reduced to one star. The child can remain at this facility unless the child stops attending there for more than 30 calendar days. The child may be approved at this same facility again if the only reason the child did not attend for more than 30 calendar days was because of a school break or due to circumstances beyond the control of the family such as illness of the child; ■ 11
- (ii) care is requested for a child living in the same home as a child already approved for care as described in (I)(i) of this subsection for the same one star child care provider; or
- (iii) the parent or guardian demonstrates there is no other child care option that meets the family's needs. ■ 12

**(8) Income determination.** Based on OAC 340:40-7, the worker determines who is considered part of the household for income determination, what income is countable, and what income is excluded. After determining the amount of countable household income, the worker uses OKDHS Appendix C-4, Child Care Eligibility/Rates Schedule, to determine whether the household meets income guidelines. The OKDHS Appendix C-4 is amended from time to time and the Commission for Human Services must approve any changes. If the income of the family exceeds the eligibility standard on the appendix or is above the income level on the appendix, the family is not eligible for subsidized child care benefits.

**(9) Family share co-payment.** The worker uses OKDHS Appendix C-4 to determine the family share co-payment for each family. The family share co-payment is applied before OKDHS pays a child care subsidy. ■ 13 The amounts the family and OKDHS pay toward the cost of care varies depending on the plan of service, family size, income, and the number of children receiving subsidized child care benefits.

(10) **Social services requests.** When a client requests help in meeting the social services needs listed on the application or review form, the worker provides all available information to aid a client in meeting these needs. ■ 14

(11) **Client rights and responsibilities.** The worker advises the client of rights and responsibilities listed in (A) through (G).

(A) A child care request is only approved back to the date of request when the interview is conducted and verification is provided on that same date.

(B) The client has the right to ask for a fair hearing if the client disagrees with an action taken on his or her case, per OAC 340:2-5. ■ 15

(C) The provider may charge the client for special fees, such as enrollment or transportation fees, provided these fees are posted and also charged to the general public.

(D) The provider may charge the client for care provided in excess of OKDHS approved child care plan of service hours when the client chooses to leave the child in care longer. If the provider requires that all children in the facility begin care by a certain time of day and the client's child care plan hours start later, the provider must not charge the client for those additional hours. The client swipes attendance based on the child care plan hours. ■ 16

(E) The provider may charge the client for any days OKDHS refuses to pay for care when: ■ 17

(i) the client did not swipe attendance for the correct days and times his or her child attended child care;

(ii) swipes were denied and the client did not get them corrected within ten calendar days; or

(iii) the provider loses the absent day payment for a child approved for a weekly unit type because the client did not swipe correct attendance for every day the child attended that month.

(E) The provider may not charge the client for:

(i) days and hours covered in the child care plan when all attendance was correctly swiped even if the hours are more than customary for a full-time day; and

(ii) days the child is not in attendance. ■ 18

(G) The client is required to cooperate with the OKDHS Office of Inspector General in any audit or investigation of possible overpayments by the client or by the client's chosen provider.

#### **INSTRUCTIONS TO STAFF 340:40-5-1**

- 1. A major focus of all client contacts is to establish a good relationship with the family. Establishing a relationship of mutual trust helps to identify the family's needs, strengths, and goals. Actually seeing and talking to the children in the family also helps in developing a true picture of the family and its dynamics. The worker helps the client become more independent by suggesting ways to increase household income and identifying strengths in the client's life. The Family Support Services (FSS) worker and the Child Welfare (CW) staff freely share information to develop a plan that best meets the needs of the family when both are working with the family.**
- 2. (a) If the child is in school, the worker asks what days and hours the child attends school to help determine how many hours the client needs subsidized child care.**

**(b) Child care providers caring for children with disabilities are sometimes eligible for a higher reimbursement rate. See OAC 340:40-7-3 and OAC 340:40-7-3.1 for information about children with disabilities.**
- 3. (a) The amount of travel time approved varies depending on what is reasonable for that client. The worker asks the client how much time it takes to get to the work or training activity after dropping the child off at child care and then how long it takes to get from the work or training activity to the child care facility. If extra care is approved because the client must ride with another person whose schedule varies from the client or the client lives a long distance from his or her job, the worker documents this in Case Notes.**

**(b) To help determine the appropriate unit type, the worker can use the Appendix C-4-C, Unit Type Chart for Child Care Authorizations.**

**(1) The worker approves a full-time daily unit type when care is needed more than four hours every day authorized and the child does not qualify for a weekly unit type.**

(2) The worker approves a part-time daily unit type when care is needed for four hours or less every day authorized.

(3) The worker approves a combination of full-time and part-time unit types when care is needed more than four hours for some of the days and four hours or less other days. If the child is four years or older, the worker first determines whether the child qualifies for a blended unit type before approving a combination of full-time and part-time unit types.

(4) Child care authorized with a weekly unit type is paid at a full-time daily or part-time daily rate for the days the child attends care. An absent day payment may be made to the child care provider for days the child does not attend care only if the child attends the minimum number of days required in the month to qualify. See Oklahoma Department of Human Services (OKDHS) Appendix C-4-B, Weekly Unit Type Guidelines, to determine the minimum number of days a child must attend to qualify for an absent day payment and the maximum number of days OKDHS pays the provider.

(A) The worker approves child care with a weekly unit type when the child attends the child care facility for the entire month and:

(i) the client works at least 40 hours per week or 80 hours every two weeks over three or four days per week. The client must need child care for all of the work hours. When the client needs care three or four days per week but is not working 40 hours per week or 80 hours in a two week period, a full-time daily unit type is approved. When the client qualifies for a three or four day weekly unit type, the worker must send an e-mail to [daycare@okdhs.org](mailto:daycare@okdhs.org) to request that the authorization be changed to a three or four weekly unit type. The worker includes in the e-mail:

(I) the case number and person code for the child;

(II) whether the worker is requesting a three or four weekly unit type;

(III) the days and hours the client works each week or every two weeks; and

(IV) how the work schedule was verified; or

(ii) the client needs child care on a regular basis five, six, or seven days per week more than four hours each day. The client can require care for any of the need factors shown at OAC 340:40-7-7.

**(B) Child care is not approved with a weekly unit type when:**

(i) the same child uses two different child care providers;

(ii) any of the care needed is part-time;

(iii) the need for child care fluctuates. For example, if the client needs care three to five days per week, the worker approves a daily unit type;

(iv) the child is using an in-home child care provider; or

(v) the child care provider prefers a daily unit type.

**(C) See OAC 340:40-10-4 for more information about how authorizations approved with a weekly unit type are paid.**

**(5) The worker approves a blended unit type for children age four and older when care is needed Monday through Friday part-time for the days school is in session and full-time for school holidays. The rate established by OKDHS for a blended unit type is higher than for a part-time unit type and lower than a full-time unit type. It is based on information from the Department of Education regarding the number of full-time and part-time days the child should need care. OKDHS has established two blended unit types, traditional and extended school year. The worker must determine which blended unit type is appropriate.**

**(A) The worker approves the traditional school year blended unit type when the child attends a school with a traditional nine-month school calendar. This unit type pays the blended rate from August 16 through May 15th of each year. During the summer months, if the child continues to attend the same child care facility, the provider is paid the full-time daily rate with an absent day payment if applicable. The IMS system continues to show 23 B during the summer but for payment purposes the electronic benefit transfer (EBT) system shows a weekly unit type. If a weekly unit type is not appropriate for the summer because the child does not require full-time care five days per week, the worker changes the unit type to match the**

needs of the child or closes the authorization if care is not needed.

(B) The worker approves the extended school year blended unit type when the child attends school year around. Authorizations coded with the extended school year blended unit type receive the extended school year rate for the entire calendar year.

(C) A blended unit type is not appropriate when:

(i) the child requires more full-time care days in addition to school holidays during the school year;

(ii) the child does not need care for school holidays;

(iii) the child uses a different provider for school holidays;

(iv) the facility is not open on school holidays;

(v) only part-time care is needed;

(vi) more than one child care provider is needed for the child; or

(vii) the child qualifies for a special needs or in-home child care rate.

(6) Care may only be authorized at one facility per day per child. When the client advises the worker that he or she plans to use two different providers for the same child, the worker determines what days of the week care is needed at each provider. If care is needed on different days, the worker can authorize care at both providers. The total number of units or days authorized for both providers may not exceed the maximum that would be authorized if care were only needed at one provider. For example, the client wishes to use one provider three days per week and another provider two days per week. In this instance, the maximum number of days the worker approves care totals 23 days per month.

(7) A child care plan is normally not approved to cover an entire 24-hour calendar day. If, due to the nature of the parent or caretaker's work, he or she must leave the child in child care over 24 hours on an occasional basis, the worker may authorize care after receiving approval from the Family Support Services Division (FSSD) Child Care Section.

- 4. The purpose of discussing alternative care with the client is to help the client consider other possibilities to purchased care that might be more suitable for the child. If there is another adult living in the home who is not a spouse or a natural or adoptive parent of the child, he or she can refuse to care for the child. OAC 340:40-7-8(e) contains information on preventive or protective child care if the client does not want a spouse to care for the child.**
  
- 5. (a) Programs receiving federal grant funds, such as Head Start or Early Head Start, and public schools receiving state funds for education may receive subsidy funds only if offering extended day services. Extended day means care is provided beyond the hours covered by other state or federal funds. For example, if a Head Start program's hours are defined between 8:00 a.m. to 2:00 p.m. daily, the provider must also be open before or after these hours in order to qualify for a subsidy payment. Head Start, Early Head Start, kindergarten, or pre-kindergarten programs must only charge the child care subsidy program for the hours not covered by their federal grant or state funds. The worker may approve a full-time or part-time unit type depending on the parent's schedule and the number of subsidy hours needed.**  
  
**(b) If the client's tribe is paying the cost of child care, the provider cannot charge both OKDHS and the tribe for the cost of care. The child who has dual eligibility for both programs can be approved for subsidized child care benefits and the tribe can pay the family share co-payment. The worker authorizes a full-time or part-time unit type depending on the parent's schedule and the number of subsidy hours needed.**
  
- 6. The worker may talk to the client about how to get a raise in pay at work or how to look for another job with better earning potential, how to increase the client's job skills, or discuss whether the client might be eligible for other money or benefits such as child support, Social Security benefits, Supplemental Security Income, unemployment benefits, or veteran's benefits. The worker refers the client to other agencies for help when appropriate. Possible referral sources include:**
  - (1) the Oklahoma Employment Security Commission;**
  - (2) Workforce Investment Act (WIA) contracted entity;**
  - (3) Workforce Oklahoma Centers;**
  - (4) the local technology center;**

- (5) community college;**
  - (6) Social Security Administration; or**
  - (7) the Department of Veterans Affairs.**
- 7. Helping a client plan in advance for emergencies when a child cannot go to child care may help a client keep a job. The worker brainstorms with the client for possible alternatives. These might include available relatives, friends, or neighbors or the client may discuss other alternatives with his or her employer.**
- 8. See OAC 340:40-13-1 for information regarding out-of-home and in-home child care arrangements. Information the worker gives the client to help make this choice includes:**
- (1) the name and address of the area Child Care Resource and Referral agency for the county. This information is listed in the pamphlet, "Your Child Care Resource for Services and Information," OKDHS Pub. No. 98-09H;**
  - (2) a list of contracted providers. The worker obtains a list by searching the Child Care Locator database available on the InfoNet under OKDHS Tools. The worker prints a list of all one plus, two, and three star child care centers and all child care homes that meet the client's search criteria. If there are no one plus, two, or three star centers in the community, the list includes the one star centers;**
  - (3) how to request case summaries of potential providers from the Division of Child Care (DCC) licensing staff or how to make an appointment to look at the licensing files;**
  - (4) explaining to the client that the "Star" status of a facility is an indicator that the facility meets additional quality criteria. The worker advises the client that care is not approved at a one star child care center unless there are no one plus, two, or three star centers in the community or the exception criteria described at OAC 340:40-5-1(7)(H) is met and the worker's supervisor or county director approves an exception. The client may choose a family child care home regardless of the star level. OAC 340:110-1-8.3 describes how a provider is certified for the different star levels.**

- (A) To be certified as a one star plus program, the provider must meet additional quality criteria that includes: additional training, reading to children daily, and parent involvement.
- (B) To be certified as a two star program, the provider must be nationally accredited or meet the one star plus criteria, employ master teachers who meet additional educational requirements, and include program evaluation.
- (C) To be certified as a three star program, the provider must meet all two star quality criteria and be nationally accredited;
- (5) giving the client all or some of the pamphlets DCC Licensing produces to help clients choose quality care. They are:
- (A) "Reaching for the Stars," OKDHS Pub. No. 01-18;
- (B) "Your Child Care Resource for Services and Information," OKDHS Pub. No. 98-09H;
- (C) "The Parent's Guide to Selecting Quality Child Care," OKDHS Pub. No. 87-91; and
- (D) "Paying for Child Care Just Got Easier," OKDHS Pub. No. 02-06; and
- (6) encouraging the client to watch the video, "Choosing Quality Child Care."
9. The worker sends an e-mail to [daycare@okdhs.org](mailto:daycare@okdhs.org) requesting approval to allow the client to choose a home in which the client also works during the hours his or her child is in care. The worker must include why the client is unable to use a different child care provider.
10. A child receiving home schooling must receive this instruction from his or her own parent or caretaker except for the time a tutor might be hired. A child care provider cannot be approved to provide child care in order to home school someone else's child. The parent or caretaker cannot be approved for child care for a school age child during the hours public or private school is in session during work or school hours because he or she wants to home school his or her child during the evening. School age is defined as a child enrolled in the first through 12th grade. Exception: a provider can be approved to

provide child care for a school age child with disabilities during the hours public or private school is in session if the child receives shortened day services from the local school system. Care can also be approved if a child is suspended or expelled from school and the school system verifies there is no other educational alternative available to the child.

11. The school break can be due to the parent's or the child's school schedule.

12.(a) Exceptions can be granted on a case-by-case basis by the supervisor or county director. Prior to granting an exception, the worker gives the parent or caretaker a list of contracted one plus, two, and three star centers and, if the client wants to use a child care home, all contracted child care homes that meet the client's search criteria. The client is not required to choose a one star plus, two star, or three star child care home before considering a one star center if the client states he or she does not want to use a child care home. If there are no one star plus, two, or three star centers in the community, the list includes one star centers and an exception is not required. The worker uses Child Care Locator, available on the InfoNet under OKDHS Tools, to generate this list. The worker instructs the parent or caretaker to contact all providers on the Child Care Locator list to see if care is available during the hours needed. The client notes on the list why care is not available at any of these locations or why they did not meet the client's needs. If the client does not find care from the providers on the list, the supervisor or county director reviews the client's notes on this list to determine whether to grant an exception. The supervisor or county director documents in Case Notes on the Family Assistance/Client Services (FACS) system whether an exception was granted and why. Exceptions may be granted when none of the providers on the client's list:

(1) has an opening during the times care is needed. For example, the client works during the evening or overnight and no one else provides care during those hours;

(2) is willing to meet the special needs of the child. For example, the other providers are unable to meet the needs of a child with disabilities or provide transportation to and from the child's school; or

(3) is within a reasonable distance from the parent or caretaker's home because of transportation issues.

(b) When the supervisor or county director agrees that an exception is

warranted under (a) of this Instruction, the worker gives the parent or guardian a list of one star center providers. If the client then finds a one star center that meets the family's needs, care can be approved at that facility.

13.(a) In the Household tab in FACS, the worker chooses "social services" in the "benefit" field F24 and "added to benefit section" in the "status" field F25 to add only the child being approved for child care. All other household members are shown as "not included in benefit. Income and resources are considered in benefit computation" in the "status" field F25. The family share co-payment is calculated by the system based on information shown in the Household and Income tabs of FACS and the "number of children receiving child care" field E52 and is shown in the "Family Co-pay" field E53 in the Social Services tab. The system maps this family share co-payment to the "co-pay" field K70 of the authorization section when a change action is entered in the Social Services tab. The family share co-payment is never prorated.

(b) Children who are exempted from co-pay and those who are not exempted must be authorized for child care in separate case records. The system does not correctly calculate the co-payment when care is authorized in the same case record.

(c) The family share co-payment is assigned to one provider per case. When more than one provider is used by the family, the worker must determine which provider gives the most costly care to the family. The worker must use OKDHS Appendix C-4 to determine the daily rate for each child based on that child's service plan. The worker adds up the monthly cost of care per child and then per provider. The worker assigns the family share co-payment to the provider giving the care that results in highest total cost.

(1) The worker chooses N for non-exempt in the "co-pay exempt" field K78 of the Auth. Daycare tab for each authorization approved for the provider giving the most costly care to the family.

(2) For all other providers, the worker chooses S for second provider in field K78 "co-pay exempt."

(3) The system maps the entire family share co-payment to each child's authorization where the "co-pay exempt" field is marked N and maps a zero co-payment to each authorization marked S in the "co-pay exempt" field.

**(4) The authorization(s) for the non-exempt provider must be open on the system without edits before the worker enters the authorization(s) for the provider exempted from co-pay. If the worker tries to enter both authorizations at the same time, the authorization coded S in K78 edits as it cannot find an open authorization for another provider.**

**(d) If a child's authorization is closed or opened, the family share co-payment is recalculated by the system after the worker enters a change action in the Social Services tab and enters the correct number of children in the "children in daycare" field E52. The system maps the family share co-payment to each open authorization and generates a notice to the client. See OAC 340:40-9-2(b) and Instructions to Staff (ITS) 4 for more information about adding children and OAC 340:40-9-2(c) and ITS 5(a)(2) for more information about removing children.**

**(e) The entire monthly family share co-payment appears on the tape from the point-of-service (POS) machine each time the client swipes attendance at the child care facility. The only time the amount of co-pay showing on the tape changes is when the worker reduces the family share co-payment for that month.**

**(f) When a child is removed from licensed child care, the worker assesses whether that child's current care arrangement places the child at risk of abuse, neglect, or exploitation. A referral is made to Child Welfare (CW) if appropriate.**

**(g) See OAC 340:40-7-11(c)(5) for information on handling court-ordered child care payments.**

**(h) See OAC 340:40-9-2(e) for information regarding calculation of the family share co-payment when the client changes child care providers.**

**14. Each human services center has a list of community resources that can be given to a client to help meet social services needs. The worker checks to ensure the identified agency can help before sending the client to that agency. When information is requested to prevent domestic violence or child abuse, the worker determines whether to complete a referral to CW on Form K-13, Information/Referral – Social Services. If questions arise that the worker is unsure how to handle regarding this or any other social service needs mentioned by a client, the worker seeks the help of his or her supervisor, if available, or other human services center staff.**

15. The applicant may request a fair hearing because of actions taken on a child care request as well as a child care application.
16. There are providers who require that all children be in attendance by a certain time every morning, for instance 9:00 a.m., regardless of the client's work or school schedule. Reasons given by the provider may include limiting disruptions to program content, so all children can participate fully in the quality content of the child care program, or to reduce transportation costs for the provider. If based on the client's work or school schedule care is not needed until 11:00 a.m., the client swipes attendance by entering a previous in for 11:00 a.m. on the point-of-service (POS) machine when the child is picked up at the end of the day. The provider must not charge the client for the additional two hours of care. If the client chooses to drop the child off at the child care provider earlier than the approved plan of service hours or leaves the child later for personal reasons, the provider can charge the client for those additional hours.
17. The worker emphasizes to the client the importance of checking for an approval message on the POS machine and to report any pending or denied messages to his or her worker immediately. The video the client must watch emphasizes this responsibility. See OKDHS Appendix C-4-B for information about weekly unit types and absent day payments. See OAC 340:40-10 for more information about EBT.
18. See OAC 340:40-13-5(g) for a list of contract violations by a provider.



**340:40-7-1. Categories of eligibility**

A person may be predetermined eligible for a child care benefit, determined income eligible based on the gross income of the household, or have dual eligibility with his or her tribe.

(1) **Predetermined eligible.** A person is predetermined eligible for a child care benefit with a zero co-payment when he or she is a recipient of public assistance or Supplemental Security Income (SSI). Public assistance is defined as a State Supplemental Payment, Temporary Assistance for Needy Families (TANF) that includes Supported Permanency and non-cash vouchers a child receives from the TANF program, or Refugee Cash Assistance. ■ 1

(A) All TANF recipients who go to work and are eligible for a child care benefit can choose to receive a child care benefit through the Oklahoma Department of Human Services (OKDHS) while they work or choose to pay for the child care themselves. If they choose to pay for the child care cost themselves, it can be considered as an earned income exemption for the TANF benefit. ■ 2

(B) Exceptions to a person being eligible with a zero co-payment when he or she receives public assistance or SSI include:

(i) when the recipient is a child and the parent or guardian requesting the benefit for the child is not the payee on the public assistance or SSI payment; or ■ 3

(ii) when it makes a difference in whether other children in the household are income eligible for child care. ■ 4

(2) **Income eligible.** Households who are not predetermined eligible for a child care benefit must meet income eligibility guidelines shown on OKDHS Appendix C-4, Child Care Eligibility/Rates Schedule, for their household size, to receive assistance with child care costs. ■ 5

(3) **Transitional child care.** Per Section 230.61 of Title 56 of the Oklahoma Statutes, a TANF recipient who becomes employed is eligible for transitional child care benefits for 24 months following the date of employment as long as he or she meets income eligibility guidelines on OKDHS Appendix C-4 for his or her household size unless:

(A) the employer provides child care benefits; or

(B) the monthly salary received from the employer exceeds the monthly allowance of assistance pursuant to the TANF program plus the cost of child care and medical insurance to which the recipient would be entitled. ■ 6

(4) **TANF families in the Work Supplementation Program.** TANF families in the Work Supplementation Program are considered income eligible families and must meet income eligibility guidelines shown on OKDHS Appendix C-4 for their household size, to receive assistance with child care costs. ■ 7

(5) **Dual eligibility.** An individual may have dual eligibility for both the child care subsidy program through OKDHS and through his or her tribe. The child care provider may not receive payment from both programs simultaneously. ■ 8 The client may be approved for the child care subsidy program and the tribe may pay the client's family share co-payment.

#### **INSTRUCTIONS TO STAFF 340:40-7-1**

1. (a) **Supplemental Security Income (SSI) is a means tested program administered by the Social Security Administration.**
  - (b) **The child must also meet all other conditions of eligibility defined in this Subchapter before subsidized child care is approved.**
  - (c) **Refer to OAC 340:10-22-1 for information about the Supported Permanency Program and OAC 340:10-3-56(3)(k) for information about non-cash Temporary Assistance to Needy Families (TANF) vouchers.**
  - (d) **Enter information regarding eligibility in the Family Assistance/Client Services (FACS) Interview Notebook under the Household and Income tabs.**
2. **The worker informs the client of the right to choose child care either as a Temporary Assistance for Needy Families (TANF) deduction or as a child care benefit. The worker explains to the client if he or she chooses to change from receiving subsidized child care to child care as an earned income exemption, the client must actually pay the child care expense out-of-pocket for one month. If the choice is to terminate subsidized child care and begin child care as an earned income exemption, the closure of subsidized care must meet notification requirements listed in OAC 340:40-9. A TANF recipient is never approved for Child Care and Development Fund subsidized child care and have child care considered as an earned income exemption during the same month. When a recipient is discovered to have received both kinds of child care during the same month for the same children, overpayment procedures in**

OAC 340:40-15 are followed.

- 3. If someone other than the parent or guardian who is receiving the TANF benefit for the child or who is the payee for the child's SSI payment requests child care for the child, as is the case in some joint custody households, the child is not predetermined eligible for a zero co-payment in that household. The child's eligibility for the child care benefit is based on the countable income in the other household.**
- 4. For example, household income can be \$2425 if the client is approved for two children in care. Household income for one child in care is \$1950. If the client has one child receiving SSI and one child who is not and the household income is \$2400, it is better for the client to be approved for both children in the same case with a family share co-payment than to receive a zero co-payment for the child receiving SSI and to not be eligible for the other child.**
- 5. See Oklahoma Department of Human Services (OKDHS) Appendix C-4, Child Care Eligibility/Rates Schedule, for income eligibility guidelines and OAC 340:40-7-11 for types of income considered. Document income eligibility in the FACS Interview Notebook under the Household and Income tabs.**
- 6. A former TANF recipient must still meet the income guidelines listed on OKDHS Appendix C-4 to receive a child care benefit. The TANF worker is required to advise the client of his or her potential eligibility for a child care benefit and to document the offer in the case narrative or in FACS Case Notes. When it is determined the client does not meet the eligibility guidelines for subsidized child care, the worker provides resources and referral information. If child care is not needed, the narrative also reflects what alternative to subsidized child care is utilized. The worker provides all families who receive earned income information about the Earned Income Credit and the Child Tax Credit and how to apply for these credits.**
- 7. See OKDHS Appendix C-4 for income eligibility guidelines and OAC 340:40-7-11 for types of income considered. This is the only group of active TANF recipient families who are expected to help pay for subsidized child care. It is essential the worker counsel with families who must make family share co-payments to ensure they understand how much they must pay. Realistically, these families are a step closer to the goal of assuming the total cost of child care. While working with families, the worker includes this goal as part of the overall service plan.**

- 8. If there is a tribal child care program in the county for which the client might qualify, the worker asks the client if he or she is receiving subsidized child care from this program. If the client chooses to receive OKDHS subsidized child care, the same rules governing other clients apply to this client as well. The client may receive subsidized child care and the tribe pay the client's family share co-payment. The child care provider may not file a claim with both OKDHS and the tribe.**

**340:40-7-13. Computation of income**

(a) Any income that is received regularly but in amounts that vary, or income received irregularly, is averaged over a minimum of 30 days unless the client has received less than 30 days of representative income. ■ 1 This includes overtime pay, irregular child support, and other occasional increases or decreases in the monthly gross income. When income is received more often than once per month, the income is converted to a monthly amount. ■ 2

(b) Income of the applicant or recipient is verified by the best available information. ■ 3 With new employment, the worker verifies the beginning date, date the first full paycheck is expected to be received, hourly rate, and anticipated number of hours per week. ■ 4

(c) All earned and unearned income is added together to arrive at the gross income for the household.

(d) Once gross income is computed, the only allowable deduction from gross income is for the amount of any verified legally-binding child support payments paid by a household member to or for a non-household member, including child support and child care support payments made to a third party on behalf of the non-household member. ■ 5

(e) The worker uses Oklahoma Department of Human Services (OKDHS) Appendix C-4, Child Care Eligibility/Rates Schedule to determine whether the household meets income guidelines. See OAC 340:40-5-1(8).

**INSTRUCTIONS TO STAFF 340:40-7-13**

**1. (a) If ongoing income fluctuates to the extent that a 30 day period alone cannot provide an accurate indication of anticipated income, a longer period of past income may be requested and used to determine representative income.**

**(b) When the worker is computing income in the same case for multiple programs and the programs compute income differently, it is sometimes necessary to use the "total diverted" field E47 in the Social Services section to ensure income is correctly computed for child care. This field is most often used for the initial month of certification when other programs count anticipated income before the applicant receives a full paycheck. The worker takes care in this instance to remove income from the divert field effective the month the income is countable per child care policy.**

2. (a) Food Stamp Penalty Income is not considered for child care computation.

(b) In instances where the amounts to be converted differ, such as fluctuating daily, weekly, or biweekly amounts, the worker obtains an average and the average is multiplied by 4.3, 2, or 2.15, whichever is applicable. The method used to convert income to a monthly amount is income received:

(1) on a daily basis:

(A) when there is a consistency in days worked each week and there is a regularity of pay dates, is converted to a weekly amount then multiplied by 4.3; or

(B) when income is received at irregular intervals and there is no consistency in the work offered or when pay is received, it is appropriate to average all income received in a calendar month rather than converting to a weekly amount;

(2) weekly is multiplied by 4.3;

(3) twice a month is multiplied by 2; or

(4) every two weeks is multiplied by 2.15.

(c) The worker carries cents through all steps and then rounds to the nearest dollar when arriving at the monthly amount. The worker rounds one cent through 49 cents down and 50 cents through 99 cents up. The worker records income in the Family Assistance/Client Services (FACS) Interview Notebook under the Income tab.

3. (a) For new applications, if the client has received some pay but less than a full month's worth, the worker uses any full paychecks received to anticipate income for future months. See OAC 340:40-7-10(c) for information regarding when to start counting income from a new source.

(b) If the applicant has received at least 30 days of income and the month of certification is a month when the individual receives a third bi-weekly or fifth weekly paycheck, actual income is not used to compute the family share co-payment for the initial month. Instead, the worker converts the income to a monthly amount using Instruction to staff 2 of this Section.

**(c)** If the applicant has received at least 30 days of income but income records are not available, use whatever records are available that best establish the amount of income expected for future months. Actual income must be verified and recomputed within 90 calendar days. The worker enters this income information in the FACS Interview Notebook under the Income tab and documents in Case Notes why the records were not available.

**(d)** If the client's ongoing income has changed and the last 30 days of income are not indicative of future earnings, the worker uses the best available information and documents his or her reasoning in FACS Case Notes. Actual income must be verified and recomputed within 90 days. For earned income, pay stubs are used for verification only if the client's name or Social Security number, date(s) of the pay period, and amount of income before deductions are shown on the pay stub. When this information is not shown on the pay stub, or pay stubs are not available, employer verification is required.

**(e)** When computing on-going income using paycheck stubs, the steps in (1) through (5) of this Instruction help ensure more accurate earned income calculation.

**(1)** The client must provide the most recent 30 days of paycheck stubs from the date of the face-to-face interview including any pay stub received on the date of the interview.

**(2)** Paycheck stubs provided must be consecutive. Using a calendar to identify the pay dates, ensures there are no missing pay stubs.

**(3)** Gross amounts of income must be used in the calculation process.

**(4)** If hours worked fluctuate from each pay period, the worker discusses with the client the reason for varying hours, such as the employee missed work due to illness or hours fluctuate due to the amount of work performed. The worker documents this discussion in Case Notes.

**(5)** The worker only uses those paycheck stubs that the worker determines are representative of future earnings for future months. Actual income is used for the current month if it is available unless the month of certification is a month when the individual receives a third bi-weekly or fifth weekly paycheck. If the worker excludes any paycheck stubs, he or she documents in the case record or in Case Notes the reason they were excluded.

4. **Income from a new source is never used in calculating the family share co-payment until after income is received. See OAC 340:40-7-10 for general provisions regarding income. When the client has not received a full paycheck from new employment, it is appropriate to use an employer's statement or Form 08AD094E, Employment Verification, that the employer has completed. When the worker is projecting income for a future month using only an employer's statement, the income is converted using either 2.15, 2, or 4.3 calculation method.**
  
5. **Child support is defined as any money court ordered and designated to be paid for the support of a child. This may include, but is not limited to, child support, child support arrearages, medical insurance or other health care premiums, child care obligations, or other obligations specified in individual court or administrative orders. Money owed to a state for benefits provided for a child including, but not limited to, TANF, Medicaid, and foster care is also considered as child support. Before allowing a child support deduction, the worker obtains proof of the amount ordered and the actual support payments being made each month. The worker enters the amount of child support paid to or for a non-household member in the Social Services tab of the FACS Eligibility Notebook in the "child support deduction" field (E46).**

**340:40-9-1. Review of child care eligibility**

(a) **Child care review.** The worker completes a review of all conditions of eligibility for subsidized child care benefits no later than 12 months from the date of approval of the application or from the last review. When the need factor for child care is for a protective or preventive reason, child care is reviewed more often in accordance with OAC 340:40-7-8(e). The client or the client's authorized representative completes and signs Form 08MP001E, Comprehensive Application and Review, or Form 08CC002E, Application for Child Care Services. If the client is a benefit reporter as described in subsection (b) of this Section, Form 08MP004E, Benefit Review Report, may also be used as a review form for subsidized child care benefits. ■ 1 When circumstances change between review months, the worker evaluates whether to make a change to the client's family share co-payment and/or plan of service or to complete Form 08MP001E or 08CC002E. ■ 2

(b) **Benefit reporter households.** If a client receiving subsidized child care benefits is also receiving food benefits and/or Medicaid and is considered a benefit reporter for one or both of these programs, the client is considered a benefit reporter for the Child Care Program.

(1) Benefit reporter households are sent a computer-generated Form 08MP004E in the fifth or the 11th month of certification depending on whether the client is a semi-annual or an annual reporter for the other program. The client will continue to receive a 08MP004E every fifth or 11th month thereafter as long as the subsidized child care benefits remain active and the client remains in benefit reporting status.

(2) Form 08MP004E asks households to report changes in the household's circumstances that could affect their benefits. Form 08MP004E must be completed and returned to the human services center, along with all required verification, by the last day of the sixth or 12th month of the review period or the subsidized child care benefits automatically close.

(3) If the household fails to provide sufficient information regarding a deductible expense, continued eligibility is determined without regard to the deduction.

(4) The worker must act on any changes reported on the 08MP004E in a timely manner. ■ 3

(c) **Synchronization of benefits.** When the client is receiving other benefits from the Oklahoma Department of Human Services (OKDHS) in addition to the subsidized child care benefits, certification and review dates must be coordinated with the other programs. ■ 4

**INSTRUCTIONS TO STAFF 340:40-9-1**

1. (a) The worker reviews the client's eligibility for child care in the same manner as the initial eligibility determination. See OAC 340:40-3-1 for initial eligibility procedures. Conditions of eligibility which must be reviewed are found at OAC 340:40-7. The worker enters information in the Family Assistance/Client Services (FACS) Interview Notebook under the Income, Household, and Day Care tabs and in the FACS Eligibility Notebook under the Auth. Daycare and Social Services tabs.

(b) A face-to-face interview is recommended if one was not completed at the most recent application or review unless there are extenuating circumstances that are documented in FACS Case Notes. However, a face-to-face interview is always required when child care is approved for a protective or preventive reason. The child is seen at the face-to-face interview, whenever possible, to help determine if other social services are needed. Examples of extenuating circumstances include when the client:

(1) has had a face-to-face interview for another program in the interim;

(2) states he or she cannot take off work or miss class; or

(3) completes Form 08MP004E, Benefit Review Report, as the review form unless child care is approved for a protective or preventive reason.

(c) If the review is completed on Form 08MP004E and the client reports changes have occurred in the days and hours care is needed, the worker enters the new plan of service on the last page of Form 08MP001E, Comprehensive Application and Review, or Form 08CC002E, Application for Child Care Services. The worker sends Form 08AD092E, County Client Contact and Information Request, with this page to the client to sign and return acknowledging the new plan hours. When the client returns this page, two copies are returned to the client: one copy for the client and one copy for the child care provider.

(d) If the client is using a one star child care provider at the time of the review interview, the worker gives the client the "Reaching for the Stars" pamphlet, OKDHS Pub. No. 01-18, and discusses the benefits of choosing a provider who is licensed as a one star plus, two star, or three star facility. See OAC 340:40-5-1(7) for more information on helping a client choose an appropriate child care provider.

(e) When the worker determines that the family continues to meet all conditions of eligibility and remains eligible at the same benefit level, the worker verbally advises the client of the decision. When the client continues to meet all factors of eligibility but at a different benefit level, notification is computer-generated to the client and the child care provider. See OAC 340:40-9-3 for actions requiring computer notice.

(f) When the worker determines that the family is no longer eligible for subsidized child care benefits, the worker closes the benefits. A computer-generated closure notice is sent to the client and the child care provider. If the family continues to need child care services, the worker asks the client whether he or she needs help with budgeting to pay this expense or with information concerning lower cost child care alternatives. The worker gives needed information to the client and records this discussion in FACS Case Notes.

(g) If subsidized child care benefits are closed and the worker reevaluates this action within 30 calendar days of the closure date, see OAC 340:40-9-2(g) for rules regarding when subsidized child care benefits can be reopened.

2. (a) A complete application/review form is required when:

(1) the payee on the child care benefit changes;

(2) the client's subsidized child care benefits closed because a period of job search was given in accordance with OAC 340:40-7-8(a)(6) and the client finds employment; or

(3) subsidized child care benefits must be synchronized with the client's food benefits or Medicaid benefits in accordance with subsection (c) of this Section.

(b) The client completes only the last page of Form 08MP001E or Form 08CC002E when:

(1) the days and hours child care is needed changes. Examples of the reasons the days and hours care is needed changes include when the:

(A) client changes jobs;

(B) client's work hours are increased or decreased; or

(C) client's school schedule changes at each semester; or

(D) client's Temporary Assistance for Needy Families (TANF) benefit closes;

(2) the client requests a child be added to the subsidized child care benefits and that child's plan of service is different than the other children already approved for subsidized child care benefits. Policy regarding adding children is found at OAC 340:40-9-2(b); or

(3) the client's TANF benefit closes and there is a continued need for subsidized child care benefits. The worker must:

(A) evaluate what, if any, changes need to be made since the client is no longer involved in TANF Work activities;

(B) advise the client that he or she is no longer exempt from paying a family share co-payment;

(C) advise the client of the amount of his or her family share co-payment, if any. If the client expresses concern about his or her ability to pay this co-payment, the worker offers budgeting assistance to the client; and

(D) complete a full application for subsidized child care benefits if they are not open at the point the TANF benefit closes in accordance with OAC 340:40-3-1.

(c) If a change is needed to the plan of service or to the family share co-payment, the worker makes the change in accordance with OAC 340:40-9-2 regarding the effective date of when changes can be made.

(d) The worker can complete the application/review form or the last page of the application/review form in person or over the telephone. If it is completed over the telephone, the worker sends the last page with Form 08AD092E to the client for his or her signature. After this page is signed, the worker gives or sends the client two copies of this page; one for the client and the other for the child care provider.

3. (a) The worker is responsible for determining which households are identified as benefit reporter households. Households receiving only subsidized child

care benefits are not considered benefit reporters. See OAC 340:50-9-5(i) and (j) for information on who is considered a semi-annual or annual reporter for food stamps. Non-public assistance Medicaid households are annual reporters. See OAC 340:40-9-2 for information regarding which changes must be reported and when action must be taken on these changes for the Child Care program.

(b) When Form 08MP004E is returned to the human services center (HSC), the worker determines if the form is complete and all required verification is received. Required verification includes verification of income for the month specified on the form and proof of the client's current work or school schedule. If more than that month's income is received, the worker evaluates all income provided to determine what is most indicative of future earnings. If the days and hours child care is needed have changed, see Instruction to Staff #1(c) in these Instructions. The worker updates the system to show the status of the review.

(1) If complete, the worker processes all changes, updates the "date of last review" field E7, the "benefits report action" field E135 with a C, and enters the "benefit report date" field E136. The worker also enters benefit reporting fields in other sections of the case if applicable.

(2) If incomplete or lacking all required verification, the worker updates the "benefits report action" field with an I indicating an incomplete form, and enters the date action is taken in each applicable section of the case.

(3) If the benefits report form is not returned to the HSC, the "benefit report action" field E135 remains blank. When this field remains blank or shows an I at negative action deadline, all semi-annual reporting sections automatically close with the next effective date showing a reason code of 36S. The child care authorization section shows a closure reason code of 36.

(c) If the child care authorization and social services sections were automatically closed, during the period between negative action deadline and the last day of the sixth month or 12th month, the worker may reopen these sections when the completed Form 08MP004E and required verification are received by the last day in the seventh or 13th month. Any required changes are processed along with the action to reopen subsidized child care benefits.

(1) To reopen subsidized child care benefits the worker enters an R in the

"action type" field E3 of the Social Services section and the number of children for whom care is approved in the "children in day care" field E52. It is also necessary to update the "benefit type" and "status" fields F24, and F25 for those persons included in the benefit household in each person's Household tab in the FACS Interview Notebook.

(2) To reopen the child care authorization the worker must enter an R in the "action type" field K12 and an A in the "notice indicator" field K92 as well as any other fields requiring changes. A worker must enter a new authorization instead of using a reopen action when the client reports a change in child care provider.

(3) If the reopen action is entered more than ten calendar days from the closure date of the authorization and the client has been swiping attendance and receiving a denied message, the worker completes Form 10EB004E, Report of EBT Child Care Payments Adjustments, in accordance with OAC 340:40-10-4(e).

(d) If the worker fails to take action in a timely manner and subsidized child care benefits close, the worker can reopen the subsidized child care benefits within 30 calendar days of the effective date of the closure by reopening the Social Services and authorization sections in the same manner described in (c) of this Instruction. If the authorization has been closed longer than 30 calendar days from the effective date of the closure before the worker takes action, a new authorization must be entered to approve benefits.

(e) In the event the completed Form 08MP004E and verification indicates that the client is no longer eligible for child care, the worker closes subsidized child care benefits effective ten calendar days from the date the worker takes action with the appropriate reason code. If subsidized child care benefits were already closed because Form 08MP004E was not returned timely, the worker sends Form 08MP037E, Notice Regarding Social Services, to advise the client of his or her ineligibility.

(f) A CWA Report 17 is shown as a result of the issuance of the benefits report form. This serves as a tracking tool. As the "report action" field E135 is updated with C for complete, the related case sections are removed from the report. The related case sections are also removed from CWA Report 17 when they are automatically closed by the system due to failure to return Form 08MP004E or required verification timely.

**4. (a) When a client is a benefit reporter, it is especially important to synchronize certification and review dates with other benefits the client receives to limit the number of review forms issued and to avoid inappropriate closure of one or more of the client's benefits.**

**(b) To ensure that reviews are due at the same time for all programs, a child care review must be completed at the same time the application for other benefits is completed when subsidized child care benefits are open prior to the application for food stamps or Medicaid. If an application for subsidized child care benefits is approved for a later effective date than food benefits or Medicaid benefits, the "date of last review" field E7 is shortened to match the other benefits. If food benefits are open and the household is considered a reporter, "Medicaid" and "subsidized child care benefits review date" fields E7 and D10 must match the certification date shown for food benefits.**

**(c) To determine whether a child care review must be completed in order to coordinate benefits, the worker looks at the "reporter status" field C37 in the Food Stamp section or field D137 in the Medical Services section. If an S for "semi-annual reporter" or A for "annual reporter" is shown there, the child care portion of the case is also a reporter. If food benefits or Medicaid is shown as a reporter, the system automatically places an S in the "reporter status" field E137 in the Social Services section to indicate the household is a benefit reporter for subsidized child care benefits. The "date of last review" field E7 of the Social Services section must equal the "certification date" field C2 in the Food Stamp section and the "last redetermination date" field D10, if those benefits are open, or the worker receives a synchronicity edit advising him or her that these dates must match as the household is a reporter.**



**340:40-9-2. Case changes**

(a) **Case changes.** The client must report within ten calendar days any changes in his or her circumstances that would result in an increase or decrease in subsidized child care benefits. ■ 1 The worker acts on changes that increase or decrease the subsidized child care benefits regardless of whether the client is a semi-annual reporter or not. ■ 2 Failure to report changes timely may result in an overpayment assessment against the client. ■ 3 Examples of changes the client must report include:

- (1) household income;
- (2) household composition;
- (3) names and number of household members in child care;
- (4) the reason child care is needed;
- (5) parent's or caretaker's work or school schedule or any other change affecting the days and hours child care is needed;
- (6) the client's address or telephone number;
- (7) the child care facility the child is attending;
- (8) child care is no longer being used or needed; and
- (9) family size.

(b) **Additional child request.** When an additional child requires subsidized child care benefits, the worker completes the request within two working days of the client providing all necessary verification to determine eligibility. If eligible, the child can be approved for subsidized child care benefits beginning with the date of request. Family share co-payment increases due to adding an additional child to the subsidized child care benefits are effective the month after the month the client requests subsidized child care benefits for that child. ■ 4

(c) **Changes that increase the subsidized child care benefits.** When the client reports a change timely that increases the subsidized child care benefits, the client and the worker jointly plan the effective date of the change. ■ 5 When the client does not report changes timely, the earliest date the worker increases the subsidized child care benefits is the first day of the month in which the client reports the change.

(d) **Changes that decrease the subsidized child care benefits.** When possible, the worker plans with the client changes that decrease the subsidized child care benefits before implementing the change. When the client reports an increase in income, the worker uses Oklahoma Department of Human Services (OKDHS) Appendix C-4, Child Care Eligibility/Rates Schedule, to determine whether the household meets income guidelines in accordance with OAC 340:40-5-1(8). ■ 6

(e) **Change in provider.** When a client reports a change in provider, the change is effective the date the change in provider occurs, regardless of whether or not the client reports this change timely. ■ 7 The worker completes provider changes within two working days of the date the client reports the change.

(f) **Closure of the subsidized child care benefits.** When advance notice is required, the worker closes the subsidized child care benefits ten days from the date action is taken. Ten day advance notice is not required when the client gives written permission agreeing to an earlier closure date. ■ 8

(g) **Reopen action.** When a client's subsidized child care benefits close, they can be reopened using current eligibility information if policy and procedures were not administered correctly or if human services center staff receive new or additional information within 30 calendar days of the effective date the benefits terminated that shows the family continues to be eligible. ■ 9 The client must complete a new application when:

(1) a 30 calendar day period of job search was given because the client lost his or her job or successfully completed school and the subsidized child care benefits were closed; ■ 10

(2) expedited eligibility processing is used and requested verification is not returned within 30 calendar days of the application date. See OAC 340:40-3-1(b); or

(3) the payee for the child care case changes.

#### **INSTRUCTIONS TO STAFF 340:40-9-2**

- 1. The worker completes case changes within ten calendar days of receiving notification of the change. The worker confirms with the client any case changes reported by persons other than the client before processing the change.**
- 2. The worker acts on all reported case changes whether the household is considered a semi-annual reporting household or not. The system determines**

which changes affect benefits in other programs. See OAC 340:50-9-5(i) for information about the semi-annual reporting process for food benefits. See OAC 340:40-9-1(b) and (c) for information about the benefit reporting process for child care.

3. See OAC 340:40-15-1 for information regarding overpayments. See (c) of this Section and Instruction to Staff 5 for more information when the client requests increased child care benefits for a previous period of time.
4. (a) The worker notes in Family Assistance/Client Services (FACS) Case Notes or in red on the most recent application or review form:
  - (1) the date of request;
  - (2) the name and birth date for the child;
  - (3) what days and hours the client needs child care;
  - (4) how child care needs were previously met; and
  - (5) whether child support or any other income must be pursued for the child.

(b) The client completes the last page of Form 08MP001E, Comprehensive Application and Review, or Form 08CC002E, Application for Child Care Services, only when the days and hours this child needs subsidized child care benefits differs from the current plan of service. The worker gives or mails two copies of this page to the client; one for the client and one for the provider showing the days and hours this child needs subsidized child care.

(c) If one or both of the child's parents is absent from the home, the worker informs the client that he or she must be willing to pursue child support for that child and arranges for a time to complete required forms with the client. As long as the client does not refuse to complete these forms, certification for the child is not held up pending completion of these forms. Instead, the worker authorizes the child for subsidized child care benefits and sends Form 08AD092E, County Client Contact and Information Request, to set an appointment to complete required child support forms. If the client does not complete required forms, the worker closes child care benefits for the additional child and all siblings of this child. See OAC 340:40-7-9 for information about the mandatory pursuit of child support and other potential

income.

**(d)** If the child brings additional income to the household, the worker adds the child's income to current household income for the next effective month.

**(e)** The worker chooses "social services" in the "benefit" field F24 and "added to the benefit" in the "status" field F25 to add the child in the Household tab of FACS. The worker enters in the Social Services tab a change in the "action taken" field E3, the following month in the "effective date" field E5, and the correct number of children in care in the "number of children receiving child care" field E52. The system recalculates the family share co-payment. The worker enters the authorization for the child in the Auth. Daycare tab. The system maps the copay for the current month from the Social Services tab to the "copay" field K70 for the new authorization. After this action is cleared, the worker must make one more change to the Social Services tab so the system maps the new family share co-payment for the next effective month.

5. **(a)** The worker documents changes, if applicable, in the FACS Interview Notebook under the Income and Day Care tabs and in the FACS Eligibility Notebook under Auth. Daycare and Social Services tabs. If the change action results in a change in family share co-payment, the system maps the co-payment change to the authorization. This generates a notice to the client. The worker does not make a change in the Auth. Daycare tab for a co-payment only change. The worker must enter a change action in the Auth. Daycare tab when the unit type or number of days and hours the client needs child care changes.

**(b)** Changes that increase subsidized child care benefits include, but are not limited to:

**(1)** a change in income resulting in a decrease in family share co-payment. The client's family share co-payment for the month he or she reports the change is based on actual income. Prior to reducing the family share co-payment for the current or earlier month, the client must provide verification of the actual income for that month. The earliest date the change is made in the "effective date" field E5 of the Social Services section is the first day of the current month;

**(2)** a change in the number of persons needing child care. See **(b)** of this Section and Instructions to Staff 4 for additional child requests. The change in family share co-payment is effective the month after the child is

removed.

- (A) If the child left the home, he or she is "removed from the benefit section" in the "status" field F25 of the Household tab in FACS. If the child is still in the home, he or she is "not included in benefit - income and resources are considered in benefit computation" in the "status" field F25.
- (B) The worker closes the authorization in the Auth. Daycare tab with the appropriate reason code. The earliest date the worker closes the child care authorization is the date action is taken.
- (C) The worker enters a change action to the Social Services tab for the next effective month and the correct number of children in care in the "number of children receiving child care" field E52. This change action causes the system to recalculate the family share co-payment and map it to the "copay" field K70 for the remaining authorizations;
- (3) an increase in the unit type or number of days or hours the client needs child care.
- (A) The worker makes the change as needed and planned for each affected child when the client reports the change within ten calendar days.
- (B) When the change is not reported timely, the earliest date the worker increases days and hours is the first day of the month the client reports the change.
- (C) The number of days approved for the first month may be less than a full month of care if the increased level of care was not needed for the entire month; and
- (4) an increase in the rate paid by the Oklahoma Department of Human Services (OKDHS) after the worker completes the approval process described at OAC 340:40-7-3.1 for one of the higher special needs rates.
- (A) The worker makes the change effective the first of the month following the month of the OKDHS Division of Child Care (DCC) licensing staff's approval in Section IV of Form 08AD006E, Certification for Special Needs Child Care Rate.

- (B) If the child waits to start child care until after DCC licensing staff approves the facility for the special needs rate, the special needs rate begins effective the first day the child enters the facility.**
- (c) The child care provider must submit Form 10AD121E, Child Care Claims, to request supplemental payment for any increase because the client did not correctly record attendance. Unless extenuating circumstances beyond the client's and/or provider's control exist, OKDHS Finance Division staff do not supplement the provider when the client fails to swipe attendance correctly. Circumstances beyond the client's and/or provider's control include, but are not limited to, some type of worker or system error.**
- (d) The worker submits Form 10EB004E, Report of EBT Child Care Payment Adjustments, to OKDHS Finance Division to request a supplement for the child care provider to correct problems not associated with correct attendance swiping. Some examples of when the worker completes Form 10EB004E include a decrease in the family share co-payment, an incorrect birth date being entered, an incorrect rate being given, or when the client correctly recorded the times of attendance but the swipes were denied. The worker enters correct data into the system for the current month prior to submitting Form 10EB004E.**
- 6. (a) The worker enters a change action in the Social Services tab. If the change action results in a change in family share co-payment, the system maps the co-payment change to the authorization, which generates a notice to the client. The worker must enter a change action in the Auth. Daycare tab when the unit type or days and hours the client needs child care changes.**
- (b) The worker documents changes, if applicable, in the FACS Interview Notebook under the Income and Day Care tabs and in the FACS Eligibility Notebook under Auth. Daycare and Social Services tabs. See OAC 340:40-9-3 (e) for changes requiring advance notice. Changes include:**
- (1) a change in income resulting in an increased family share co-payment. The worker makes the change in accordance with deadline changes requiring advance notice shown on OKDHS Appendix B-2, Deadlines for Case Actions;**
- (2) a change in the number or names of children requiring subsidized child care benefits. If the client requests subsidized child care benefits for an additional child, see (b) of this Section and Instruction to Staff 4. If the**

worker is removing a child from the subsidized child care benefits, see Instruction to Staff 5(a)(2);

(3) a decrease in the number of days the client needs child care or a change between part-time, full-time, blended, or weekly authorized care. The earliest date the worker makes the change is the first day of the current month as long as care was not given.

(A) If the client and provider differ on their report of the dates and amounts of care actually given, the worker checks time and attendance through the EBT Daycare system.

(B) If care was given, the worker makes the change in accordance with deadline changes requiring advance notice as shown in OKDHS Appendix B-2.

(C) If OKDHS has already paid for care for which the client was not eligible, the worker completes an overpayment memo per OAC 340:40-15-1;

7. (a) A change in provider is considered a non-adverse action when no other change occurs in the plan of service.

(1) The worker closes the authorization for the first provider using "change in providers" in the "reason" field K16 and "advance notice not required" in the "notice indicator" field K92 in the Auth. Daycare tab. The earliest date the authorization can be closed is the date action is taken.

(2) The worker opens the authorization for the new provider beginning with the date the change occurs and uses "change of providers" in the "notice indicator" field K92.

(b) The worker enters a change action in the Social Services tab. If the number of children in care changes, the worker also enters the correct number of children in the "number of children receiving child care" field E52 so that the system recalculates the family share co-payment. This maps the co-payment to the "copay" field K70 of each open authorization that has "N" in the "copay exempt" field K78.

(c) The point-of-service (POS) machine for the new provider shows the entire family share co-payment owed for the month. The worker calls the new

provider and explains:

(1) the client used a different provider for part of the month so the entire family share co-payment is probably not owed for the initial month;

(2) the provider cannot determine exactly how much, if any, co-payment is owed until he or she receives the Totals Report for the first week the children start care with him or her. Prior to receiving payment for that payment week, the provider has the option of:

(A) requiring the client to pay the entire co-payment again until the provider knows how much of that month's co-payment was actually applied at his or her facility; or

(B) accepting a receipt from the client showing how much co-payment he or she paid to the first provider and waiting until the Totals Report confirms part of the co-payment is still owing before charging the client for that co-payment.

(3) if the provider requires the client to pay the entire co-payment again, he or she must reimburse the client for the amount of co-payment that was not applied to his or her facility after receiving payment from OKDHS.

(d) If the client pays the entire family share co-payment to the first facility and that much care was not given, the first provider reimburses the client for the difference. If the provider refuses to do so, the worker contacts Family Support Services Division Child Care Section or the Office of the Inspector General for assistance.

(e) If the first provider reports to the worker the client left without paying the full family share co-payment owed, the provider is advised OKDHS is only able to pay for services provided after the family share co-payment is deducted. It is the provider's responsibility to collect the family share co-payment from the client. The worker counsels with the client about the importance of paying his or her family share co-payment.

(f) If the change in provider comes to the attention of the worker after subsidized child care benefits were closed and benefits are not reopened, the worker only authorizes care for this provider through the date of the original closure. In this instance, the worker enters a begin and end date on the authorization.

8. (a) The earliest date the worker can close the subsidized child care benefits when advance notice is not needed is the date action is taken. Closures effective for the current month must be entered in the system by the 27<sup>th</sup> day of that month. If a closure action is taken between the 28<sup>th</sup> and 31<sup>st</sup> of the month, the earliest date the worker enters a closure action is the first day of the next month.

(b) When the worker closes the subsidized child care benefits because the client's income exceeds the levels on OKDHS Appendix C-4, Child Care Eligibility/Rates Schedule, the worker must first determine whether the client's income for the current month exceeds the levels on OKDHS Appendix C-4.

(1) If the client will not receive enough income during the current month to cause him or her to become ineligible, the earliest date the worker closes the subsidized child care benefits is the last day of the current month. This can happen when the client starts new employment.

(2) If the client provides income information showing he or she has already received enough income to make him or her ineligible for the current month, the worker closes the subsidized child care benefits ten calendar days from the date the worker takes the action. This can happen when the client provides income information for benefit reporting.

(c) When the worker closes the subsidized child care benefits for any other reason that requires advance notice, the worker closes the benefits ten calendar days from the date he or she takes action. Possible reasons include:

(1) lack of cooperation. This can include when the client does not:

(A) respond to a request for an interview or verification;

(B) pursue potential income or refuses to accept increased income; or

(C) cooperate with Child Support Enforcement Division (CSED);

(2) no longer meeting the need factor for child care. See OAC 340:40-7-8(a)(6) when the client requests a 30 calendar day period of job search after losing a job or completing a formal education or training program;

(3) not using care for more than 30 calendar days as evidenced by a lack of

swiped attendance at the child care facility; or

(4) change in payee.

(d) The system automatically closes the subsidized child care benefits on the last day of the current month when the client fails to timely return the computer-generated Form 08MP004E, Benefit Review Report.

9. (a) Using current eligibility information means negative action notice time frames do not apply. For example, the client's case closed on lack of verification. The client provides current income information within 30 calendar days that increases the family share co-payment. The worker applies the increase effective the first of the month after subsidized child care benefits reopen. If subsidized child care benefits close on the last day of the month, the worker applies an increased co-payment for the first of the next month. If subsidized child care benefits close on the 13<sup>th</sup> of the month and reopen on the 14<sup>th</sup>, the increased co-payment applies to the first of the next month.

(b) When there is a change in the days and hours the client needs child care, the client must sign the last page of Form 08MP001E, Comprehensive Application and Review, or Form 08CC002E, Application for Child Care Services, agreeing to the new days and hours prior to the worker reopening the subsidized child care benefits. The worker gives or mails two copies of this signed page to the client; one for the client's records and one to give to the provider.

(c) To reopen subsidized child care benefits, the worker enters in the Social Services tab an R in the "action taken" field E3 and the "children in day care" field E52. The worker must also update the "benefit" and "status" fields F24 and F25 for those persons included in the benefit household in each person's Household tab in the FACS Interview Notebook. To reopen the child care authorization, the worker must enter R in the "action taken" field K12, "application approval" in the "notice indicator" field K92, as well as any other fields requiring changes in the Auth. Daycare tab.

(d) If the client reports a change in child care providers, the worker enters a new authorization rather than using the reopen action. If the worker does not complete the administrative reopening within 30 calendar days of the effective date of the closure, a new authorization must be entered rather than a reopen action.

**(e) If the client does not meet the criteria to reopen the subsidized child care benefits, the client must reapply using the processes described at OAC 340:40-3-1.**

**10. See OAC 340:40-7-8(a)(6) and OAC 340:40-3-1(a)(2)(D).**



**340:40-9-3. Notices regarding child care eligibility**

(a) **Computer-generated notice required.** A computer-generated notice is sent to inform the client of any:

(1) initial eligibility decision; ■ 1

(2) decision regarding continued eligibility if a change occurs that increases or decreases the level of subsidized child care benefits; ■ 2

(3) decision to terminate subsidized child care benefits; and ■ 2

(4) decision to reopen subsidized child care benefits. ■ 1

(b) **Form 08MP037E, Notice Regarding Social Services, required.** The worker must send Form 08MP037E when the system does not provide a notice. The worker also sends Form 08MP037E to notify the client and provider when any additional co-payment is being paid by someone other than the client directly to the provider or is being discounted by the child care provider for an employee. ■ 3

(c) **Notice not required.** A written notice is not required for information and referral services.

(d) **Returned notices.** When a notice of a proposed case action is returned, the worker makes at least one attempt to locate the client. ■ 4

(e) **Advanced notice required.** Advanced notice is required on case actions that decrease or terminate the level of child care services when such services are still needed by the client. ■ 5

(f) **Advance notice not required.** Advance notice is not required on case actions that increase the level of child care services or when child care services are no longer being used. ■ 6

**INSTRUCTIONS TO STAFF 340:40-9-3**

1. The worker updates the Family Assistance/Client Services (FACS) Eligibility Notebook under the Auth. Daycare tab to computer-generate a notice to the client and the child care provider of the approval, denial, or reopen action. Providers receive one consolidated notice showing all actions taken on a specific day for all children at their facility. The system only sends a child care provider a computer-generated notice denying child care benefits when

the name of the child care provider is known and entered in the authorization at the time the denial action is taken.

2. See OAC 340:40-9-2 for changes that increase or decrease the level of subsidized child care benefits. The worker updates the FACS Eligibility Notebook, Auth. Daycare tab to computer-generate a notice to the client and the child care provider of these changes. The system does not send a notice on change actions that do not affect the benefit level or family share co-payment amount.
3. (a) Form 08MP037E, Notice Regarding Social Services, is sent by the worker when:
  - (1) the client dies. Form 08MP037E is sent to the person who assumes responsibility for the client's affairs. The worker also contacts the child care provider;
  - (2) there is a delay in decision on an initial application beyond two working days of the worker receiving all necessary verification to determine eligibility. Form 08MP037E explains the reason for delay;
  - (3) the client requests the higher special needs rate and it is not approved. The worker sends 08MP037E to both the client and provider;
  - (4) the system fails to send a computer-generated notice and one is needed. The worker sends Form 08MP037E to both the client and provider;  
or
  - (5) the client's case closes due to Form 08MP004E, Benefit Review Report, not being returned. The client provides the form and needed verification within 30 days but the verification shows the client is no longer eligible for child care benefits. The worker sends Form 08MP037E to notify the client the reason benefits are not being reopened.
- (b) See OAC 340:40-7-11(c)(5) and Instruction to Staff 15 for more information on when to send Form 08MP037E because an additional co-payment is being paid.
4. Attempts to locate the client are documented in the case record or in FACS Case Notes. If the client is located within 30 days, he or she is given another opportunity to provide required information without reapplying.

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5. This time period allows time for planning with the client and for notifying the child care provider of these changes before they take place. Refer to OKDHS Appendix B-2, Deadlines for Case Actions, for negative action deadline schedules for child care changes and closure actions. The recipient has 30 days following receipt of the notice to appeal the decision. If the client appeals the decision within ten calendar days, the worker reinstates the child care benefits at the prior level when requested by the client pending the outcome of the hearing. Case actions that require advance notice include:
- (1) non-cooperation from the client in providing verification and completing a scheduled interview;
  - (2) increasing the family share co-payment;
  - (3) decreasing the days and hours child care is needed or closing child care services when there is less or no compensable need and the client continues to use child care;
  - (4) when a client is no longer eligible for subsidized child care because of countable income;
  - (5) a change in payee; and
  - (6) failure to return the computer-generated Form 08MP004E or required verification timely for benefit reporters.
6. Refer to OKDHS Appendix B-2 for non-negative action deadline dates if applicable. Also see OAC 340:40-9-2 for possible alternative dates. Case actions that do not require advance notice include:
- (1) decreasing the family share co-payment;
  - (2) increasing the days and hours child care is needed;
  - (3) the client requesting closure of the child care benefit, reduction in the number of days child care is needed, or a change between care authorized on a part-time, full-time, blended, or weekly basis;
  - (4) a client voluntarily waiving his or her right to an advanced notice in writing;

**(5) closing a child's child care benefits because he or she reaches the maximum allowable age; [OAC 340:40-7-3] and**

**(6) a change in child care provider.**

**340:40-10-4. Child care electronic benefit transfer (EBT) payment process**

(a) **Child care payments.** The Oklahoma Department of Human Services (OKDHS) makes payments for child care services to providers electronically using the EBT system unless the provider is an in-home provider or a provider on a military base. These providers are paid manually via the EBT system after submitting Form 10AD121E, Child Care Claims. ■ 1

(b) **Point-of-service (POS) machines.** Contracted child care providers are issued a POS machine within ten days of the date the worker authorizes care for a child and the provider notifies the OKDHS contractor that he or she is beginning to care for a child eligible for an OKDHS subsidy. ■ 2

(c) **Attendance swiping.** Clients record actual times their child attends child care by swiping an EBT card through the POS machine. Providers can charge clients for care provided on days they fail to bring their EBT card or when the machine message shows care is denied. If care is later approved for that date(s), the provider must reimburse the client for any care paid for by the client above the family share co-payment.

(1) Providers must monitor the POS machine to ensure correct attendance times are recorded. If incorrect times are recorded, the provider can void the incorrect transaction and ask the client to start over. ■ 3

(2) When clients forget to swipe their EBT card for a day their child attends care, record incorrect times that are voided by the provider, or receive a denied error message, the system allows the client to swipe previous in and out times for the current day and the previous nine days.

(3) Based on attendance recorded and the level of care authorized, electronic settlements to providers are made weekly.

(d) **EBT payment week.** The EBT payment week begins every Sunday at 12:01 A.M. and ends every Saturday at midnight. Electronic settlements are made each week in the provider's designated financial institution account on Tuesday morning for services provided two weeks prior to the current week. If the financial institution is closed on Monday or Tuesday or Monday is a holiday, the electronic settlement is deposited on Wednesday morning.

(e) **Manual claims process.** When the provider reports he or she was not paid correctly, he or she can submit Form 10AD121E or ask the client's worker to submit Form 10EB004E, Report of EBT Child Care Payment Adjustments, to the Finance Division for a manual adjustment. The provider waits to submit Form 10AD121E until

approximately the 20<sup>th</sup> of the next month. ■ 4 Finance Division staff evaluate whether to adjust payment to the provider based on why care was not paid electronically.

(1) If the client did not attempt to record attendance electronically, no payment is made to the provider for days swipes are not recorded unless extenuating circumstances beyond the client's and/or provider's control exist. These extenuating circumstances must be documented on Form 10AD121E. ■ 5

(2) If the client swiped correct attendance times but swipes were denied in error, Finance Division staff make manual adjustments. ■ 6

(3) If the family share co-payment applied by the EBT system was incorrect, Finance Division staff make manual adjustments. ■ 7

(4) If the provider was paid the wrong rate either because of incorrect coding of the child care plan, an incorrect birth date shown for a child, or an incorrect star status paid, Finance Division staff make manual adjustments. ■ 8

(f) **Absent day payments.** Providers can be paid an absent day payment for a child who misses some days of scheduled attendance and is authorized for a weekly unit type. An absent day payment is electronically deposited in the provider's account in their weekly settlement received after the tenth of the month following the month care was given. To be eligible to receive this additional payment, the child must be approved for a weekly unit type and attend the minimum number of full-time days shown on OKDHS Appendix C-4-B, Weekly Unit Type Guidelines, for that month. The provider is not eligible for an absent day payment if the child did not attend the minimum number of full-time days for that calendar month or attended the maximum days paid that is also shown on OKDHS Appendix C-4-B. ■ 9 The formulas used to determine the minimum number of days the child must attend to qualify for an absent day payment are:

(1) three-day work week equals the number of days in the individual month minus the greater number of days for four days per week minus three;

(2) four-day work week equals the number of days in the individual month minus the greater number of days for three days per week minus four;

(3) five-day week equals the number of days in the individual month minus the greater number of days for two days per week minus five;

(4) six-day week equals the number of days in the individual month minus the greater number of days for one day per week minus five; or

(5) seven-day week equals the number of days in the individual month minus five.

#### **INSTRUCTIONS TO STAFF 340:40-10-4**

- 1. In-home providers and providers on military bases are not issued point-of-service (POS) machines. Staff in the Family Support Services Division (FSSD) Child Care Section mails a pad of Form 10AD121E, Child Care Claims, to each provider when he or she is first approved for an Oklahoma Department of Human Services (OKDHS) contract. The provider contacts the child care liaison when additional supplies of this form are needed.**
- 2. The telephone number for the OKDHS contractor, Affiliated Computer Services (ACS), is in the provider handbook issued to new providers once their contract is approved. The child care liaison can also give this number to the provider. See OAC 340:40-13-5 for contracting information. The child care liaison contacts staff in the Electronic Benefits Disbursement (EBD) Operations Unit of the Finance Division to report any delay in installation of the POS machine.**
- 3. Form 08CC001E, Child Care Provider Contract, advises providers of their responsibility to ensure accurate attendance is recorded by clients. Void transactions can be completed for care given on the current day and the previous nine days.**
- 4. (a) The Finance Division waits to make manual adjustments until all money has been issued electronically for that month.**

**(b) The provider completes Form 10AD121E when attendance information was not correctly swiped on the system. An example of when Form 10AD121E must be completed, is when care was authorized and given but ACS did not install a POS machine timely.**

**(c) The worker completes Form 10EB004E, Report of EBT Child Care Payment Adjustments, when attendance was correctly recorded but the provider states he or she is owed more money for a specific reason for which the worker concurs. Prior to completing Form 10EB004E, the worker makes changes to the family share co-payment or the authorization for the current month, if appropriate. This can reduce or eliminate the need for an adjustment. Instructions to Form 10EB004E contains a chart showing what action is needed.**
- 5. Extenuating circumstances beyond the client's and/or provider's control**

are rare and include, but are not limited to, worker or system error. The provider must give a detailed explanation about why it was outside the control of the client to record the attendance.

6. An example is when the worker, in error, approves five days of care per month rather than five days per week of care. The client or the provider reports the error message timely, but the worker takes more than ten days to correct the authorization. Another example is when child care is reopened back to the first of the month after the tenth day of that month. The worker sends Form 10EB004E to Finance Division for a manual adjustment.
7. An example is when the client reports that income has terminated or reduced after the month starts. The worker changes the Income tab of the Family Assistance/Client Services (FACS) Interview Notebook and the Social Services tab of the Eligibility Notebook effective for the current month so the system reflects the correct co-payment. If too much co-payment has already been applied, the worker sends Form 10EB004E to the Finance Division for a manual adjustment.
8. When the provider reports a problem with the rate he or she was paid, the worker sends Form 10EB004E to the Finance Division asking for a manual adjustment. Prior to sending the form, the worker corrects the problem. For a star status problem, the worker asks staff in the Systems or Child Care Sections of Family Support Services Division (FSSD) to push the authorization across to the OKDHS contractor. If the birth date or child care plan is incorrect, the worker corrects the case before submitting Form 10EB004E.
9. For example, a 30 day month on the OKDHS Appendix C-4-B, Weekly Unit Type Guidelines, shows the minimum number of days a child must attend to receive an absent day payment for a three day per week weekly unit type is nine days. If the child attends nine days, the provider receives an absent day payment to equal the 22 maximum days the provider can be paid. In this example the provider receives 13 days of absent day payment after the tenth of the following month. The absent day payment is high because OKDHS pays the same amount of money for a child approved for a three day per week weekly unit type as it does for a child approved for a five day per week weekly unit type. If the child is approved for a five day per week weekly unit type, he or she must attend a minimum of 15 full-time days to qualify for an absent day payment. If the child attended exactly 15 days, the provider receives an absent day payment for seven days of care. If the child attended 22 days of care, no absent day payment is made since the provider would have already

**received the maximum payment for that month.**



**340:40-13-1. Child care arrangements**

(a) **Out-of-home care arrangements.** Out-of-home care is care provided outside of the child's home for less than 24 hours. ■ 1 The Oklahoma Department of Human Services (OKDHS) purchases out-of-home child care services only from licensed or permitted child care centers and family child care homes. ■ 2 A list of licensed, contracted out-of-home providers is available upon request.

(b) **In-home child care arrangements.** OKDHS purchased in-home child care services are obtained only from approved in-home providers. In-home child care is considered the arrangement of choice when night-time child care is needed or when care is needed for a medically fragile child. A parent can choose an in-home provider even when an out-of-home provider is available. In no instance is housekeeping service approved. The approval is for the child care plan and the individual giving care.

(1) The worker helps the family select a caregiver capable of providing adequate care and supervision of the child(ren). ■ 3 Guidelines for use in approving an in-home provider are found at OAC 340:40-13-2.

(2) Upon selection of a caregiver, the client and caregiver complete Form 08CC003E, Notification of Eligibility and Mutual Agreement to Provide In-Home Child Care Services. This form is valid for a maximum of one year from the date the county director signs the document and must be renewed annually. ■ 4 If the chosen caregiver is not approved as an in-home provider, the county director sends a letter to the caregiver advising of the denial. The worker sends Form 08MP037E, Notice Regarding Social Services, to the client advising him or her to choose another caregiver.

(3) The client and provider also complete and return Form 08CC004E, Mutual Agreement Regarding the Plan of Care. This form serves as a basis for discussion between the parent or caretaker and the in-home provider of the plan of care for the children, duties of the in-home provider, how to handle emergencies, and the family rules.

(4) To help ensure the health and safety of the child(ren) in care, the worker gives Form 08CC005E, In-Home Provider Health and Safety Checklist, to the provider and the client to complete and return to the worker when the initial contract is signed. ■ 5 The parent or caretaker is also responsible for advising the provider of known risks of a contagious condition of one or more persons in the household. The disclosure allows for training in the universal precautions against exposure. ■ 6

(5) The in-home provider is required to review the "Contracting with DHS for Child

Care Subsidy Payments Handbook" and watch a training video prior to approval as an in-home provider.

(6) The in-home provider must complete a minimum of six clock hours of training within 90 calendar days of the date the county director signs and dates Form 08CC003E. The provider can meet the training requirement by attending workshops or formal training programs, viewing videos, or through individual job related readings. ■ 7 The in-home provider must then sign and complete Form 08CC008E, Declaration of Completion of In-Home Provider Training, and return it to the worker. ■ 8

(A) The in-home provider must receive and declare six clock hours of training yearly. The declaration is valid for one year from the date the provider signs the document. ■ 9

(B) Training hours earned by the in-home provider are transferable from one family to another during the year the declaration is in force. ■ 10

(7) When an in-home child care provider cares for a child with disabilities, the provider can be approved for the special needs rate in addition to the applicable daily rate. Prior to receiving this additional rate:

(A) the client, provider, and worker must complete Form 08AD006E, Certification for Special Needs Child Care Rate, as described in OAC 340:40-7-3.1; ■ 11

(B) the provider must be currently certified in first aid and infant and child cardiopulmonary resuscitation (CPR). Only training that is OKDHS approved, such as Red Cross, American Heart Association, or First Care is accepted; ■ 12

(C) the provider must receive on-site consultation regarding the nature of the child's disability and the development of the child care plan which may include how to operate equipment needed by the child and any specialized training needs. This consultation can be provided by a health professional, a child guidance specialist, a SoonerStart provider if the child is under three years of age, a public school teacher familiar with that child, or from a consultant through the Center for Early Childhood Professional Development. The consultant also provides any available resource materials that might aid the provider in caring for the child; and ■ 13

(D) the provider must agree to obtain six additional hours of training in areas that address the care of children with disabilities within six months of approval. First aid, CPR, or informal training may not be counted to meet the special training

requirement. Recommended training includes Special Care's Unique Environments, Child Care Careers' Helping Children with Special Needs, SoonerStart training, Training Inclusive Child Care Equal Terrific Opportunities for Children (TIC-TOC) training, formal training from an OKDHS approved sponsor training list, or specialized workshops or conferences addressing the care of children with disabilities. ■ 14 This training is also documented on Form 08CC008E.

#### **INSTRUCTIONS TO STAFF 340:40-13-1**

- 1. If due to the nature of the parent or caretaker's work he or she must leave the child(ren) in child care over 24 hours on an occasional basis, it is acceptable to approve care after receiving approval from Family Support Services Division (FSSD) Child Care Section.**
- 2. Child care centers provide group care to children for part of the 24-hour calendar day. Family child care homes provide care for seven or fewer children, including the operator's own children under five years of age. See OAC 340:110-3-84. Large family child care homes provide care for eight to 12 children, including the provider's own children under five years of age. See OAC 340:110-3-97.1. See OAC 340:40-5-1(7) for restrictions on the choice of providers.**
- 3. Normally an in-home provider is a relative or friend of the client. If the client does not know someone willing to provide such care, the worker can suggest the client inquire within his or her church or other organizations the client belongs to, among the parents of his or her child(ren)'s friends, local student job placement organizations, or any other community groups known to the worker.**
- 4. (a) The earliest date child care can be approved with this in-home provider is the date the county director signs Form 08CC003E, Notification of Eligibility and Mutual Agreement to Provide In-Home Child Care Services. The county director waits to sign Form 08CC003E until the worker approves the plan of service, documents that the caregiver meets the guidelines in OAC 340:40-13-2 and verifies that the requirements shown in OAC 340:40-13-1(b)(1) through (5) are completed. The worker may request the assistance of local Division of Child Care (DCC) licensing staff in determining whether the in-home provider meets the guidelines. To be considered timely, the worker must certify or deny the application within two working days of the county director's signature as long as all necessary verification needed to determine**

eligibility has been provided. The worker files the original Form 08CC003E in the case record.

(b) The worker sends or faxes a copy of Form 08CC003E, 08CC004E, Mutual Agreement Regarding the Plan of Care, and a memo stating that the provider meets the requirements shown at OAC 340:40-13-1(b)(1) through (5) and the guidelines shown at OAC 340:40-13-2 to Family Support Services Division (FSSD), Child Care Section. FSSD Child Care staff assigns a contract number and e-mails the worker this information.

(c) A new Form 08CC003E must be completed yearly and a copy sent to FSSD Child Care Section.

5. The 08CC005E, In-Home Provider Health and Safety Checklist, serves to make the client and provider aware of adequate safety precautions so they can take action to correct any hazards to the child(ren)'s safety. The local licensing specialist is a good resource to provide suggestions if the client and provider are unsure how to correct potential hazards. If the client refuses to make recommended changes, the in-home provider can still be approved to care for the child(ren) in the home since this is the child(ren)'s natural environment. Depending on the nature of the potential hazard, the worker determines whether a referral to Child Welfare is indicated. The worker files the original of Form 08CC005E in the case record and sends a copy to the client.
6. The worker is prohibited from disclosing information regarding a contagious condition unless written consent to disclose this information is obtained from the parent or caretaker.
7. The worker initiates the training process by contacting local DCC licensing staff by e-mail. The worker advises DCC licensing staff of the in-home provider's name, address, including city and zip code, and the family's name and case number. The licensing specialist must send the in-home provider a training packet within 30 calendar days of the date of request. Completion of this training packet meets the initial six clock hours of required training.
8. Form 08CC008E, Declaration of Completion of In-Home Provider Training, is filed in the case record for the family for whom care is being provided. Form 08CC008E serves as:

- (1) a declaration by the in-home provider that the minimum caregiver training requirements have been met;

- (2) case documentation of compliance with the training requirements as set forth in the Child Care Development Fund State Plan for federal financial participation; and
- (3) certification that the in-home provider has a sufficient knowledge base that ensures the care setting provides for the health and safety of the child(ren), thereby enhancing the quality of child care.
9. The provider completes a new Form 08CC008E each year and the worker files it in the case record showing what training was received during that year. If the provider is unsure about training opportunities, local DCC licensing staff can help them choose appropriate training.
10. The worker may copy the existing Form 08CC008E, update in red the new case name, number, and child(ren)'s name and file the updated copy of the form in the appropriate case record. The date of the declaration is never updated on the copy of the form because that is the date which starts the clock for yearly completion of minimum training requirements.
11. For in-home providers, the worker completes Section IV of Form 08AD006E, Certification for Special Needs Child Care Rate, rather than the licensing specialist.
12. The worker views the training documentation to obtain the effective dates of certification.
13. If the on-site consultation will delay the approval for certification by more than 30 days, the provider may be approved for certification prior to the on-site consultation criteria being met if a reasonable plan of correction has been documented in writing. The worker documents the provider's attempts to schedule the on-site consultation in Case Notes.
14. Local DCC licensing staff can help in-home providers find and choose any of these training opportunities.



**340:40-13-2. Guidelines for use in approving in-home child care**

(a) **Purpose.** In-home child care is defined as care given to a child(ren) by a person coming into the child's own home for the express purpose of caring for the child(ren). The purpose of standards for in-home care is to help ensure the safety of children cared for in their own home when the usual responsible adult is temporarily absent due to employment, training, illness, or other valid reason. ■ 1

(b) **Qualifications of caregiver.** The caregiver:

(1) must be at least 18 years of age;

(2) demonstrates the vitality and flexibility needed to care for children as well as the ability to exercise good judgment and appropriate authority ■ 2;

(3) must provide personal references prior to approval if, in the worker's judgment, they are considered necessary;

(4) cannot be a member of the child's household, whether relative or non-relative. An exception is made if the person is employed full-time and if approved as a provider, agrees to quit his or her employment; ■ 3 and

(5) can only care for the child(ren) of one family at a time. The provider can give care to more than one family as long as the hours do not overlap and the child(ren) of each family is cared for in his or her own home.

(c) **Background investigations and restrictions for caregivers.** The requirements for background investigations and restrictions for caregivers are contained in paragraphs (1) through (3) of this subsection.

(1) **Criminal history investigations.** Criminal history investigations:

(A) are required and must be requested by each caregiver and substitute caregiver, prior to caring for children; ■ 4

(B) are not required for persons who have documentation of a criminal history investigation within the last 12 months;

(C) must be obtained from:

(i) the Oklahoma State Bureau of Investigation (OSBI); and

- (ii) the authorized agency in the previous state of residence if the individual has resided in Oklahoma less than one year;
  - (D) must include a search of the Oklahoma Department of Corrections' files maintained by the OSBI pursuant to the Sex Offenders Registration Act; and
  - (E) include the worker completing a computer check using the Social Security number of the potential caregiver prior to approval as an in-home provider. When a Child Welfare (CW) case number appears, the worker consults with CW staff to see if concerns exist about this person's ability to care for children. ■ 5
- (2) **Restrictions.** A caregiver whose criminal history report includes a conviction of fiscal mismanagement, such as embezzlement or fraud, or repeated convictions that indicate a pattern of criminal activity is not approved as an in-home provider. Individuals who are convicted of or enter a plea of guilty or nolo contendere, no contest, to certain crimes are not approved to care for children or be a substitute caregiver. These crimes include:
- (A) violence against a person;
  - (B) child abuse or neglect;
  - (C) possession, sale, or distribution of illegal drugs;
  - (D) sexual misconduct; or
  - (E) gross irresponsibility or disregard for the safety of others.
- (3) **Alcohol, drugs, medication.** The caregiver must not be under the effects of alcohol, illegal drugs, or medication that impairs functioning when caring for children.

(d) **Duties of the caregiver.** The caregiver:

- (1) provides adequate care and supervision of children at all times, including frequent observations of children in cribs or playpens. He or she must arrange to have a competent adult provide consistent supervision during his or her absence from the home;
- (2) is responsible only for each child specified in Form 08CC003E, Notification of Eligibility and Mutual Agreement to Provide In-Home Child Care Services;
- (3) must be aware of adequate safety precautions and take action to correct

hazards to children's safety, both indoors and outdoors;

(4) provides opportunities for learning, indoor and outdoor play, rest periods, and meals. The caregiver ensures that the use of television is age-appropriate and suitable for children;

(5) must be able to give understanding, consistent, and loving guidance. Discipline is constructive and educational in nature and appropriate to the child's age and circumstances. Loud, profane, and abusive language, corporal punishment, or any technique that is either humiliating or frightening to children is not used. Discipline is not associated with rest, toilet training, or loss of food;

(6) seeks emergency medical attention in case of sudden illness or accident. The parent or guardian stipulates who is called in case of an emergency by entering this information on Form 07LC038E, Child Information, provided by the Oklahoma Department of Human Services (OKDHS). The caregiver has emergency telephone numbers readily available at all times. Emergency telephone numbers include the fire department, police department, ambulance service, and physician or clinic;

(7) is responsible for preparation and serving of food. The child's family provides the food used to prepare snacks and meals. The caregiver consults with the child's parent(s) or guardian to ensure a balanced diet suitable to the age and physical development of the child; and

(8) ensures the child's school attendance in accordance with the requirements of the State Department of Education.

#### **INSTRUCTIONS TO STAFF 340:40-13-2**

- 1. The worker sends a memo to the Family Support Services Division (FSSD) Child Care Section along with copies of Form 08CC003E, Notification of Eligibility and Mutual Agreement to Provide In-Home Child Care Services, and Form 08CC004E, Mutual Agreement Regarding the Plan of Care. The memo gives information about whether the provider meets the requirements shown in this Section and the worker's opinion of the suitability of this individual to provide child care. FSSD staff assign a contract number after receiving this information.**
- 2. How the potential caregiver responds to the duties outlined in (d) of this Section and what he or she and the client write on Form 08CC004E helps the worker determine whether the caregiver meets this qualification.**

3. **Before approving someone living in the child's home as an in-home provider, this caregiver must quit his or her job regardless of whether the hours of employment are the same hours child care is needed.**
4. **Oklahoma State Bureau of Investigation (OSBI) background check forms, Form CHRD01, OSBI Criminal History Information Request, can be obtained from the local licensing staff. The cost of the OSBI check is shown on the form. The Oklahoma Department of Human Services does not pay for the cost of this background check. It generally takes about two weeks for the results of the inquiry to be received. The provider may care for the child(ren) pending the results. The worker must see the original of the report as soon as possible and either place a copy of the report in the case record or narrate the results of the inquiry in the case narrative or Family Assistance/Client Services (FACS) Case Notes. If the report indicates that the provider has been convicted on any of the offenses shown in this Section, the worker immediately shows the report to the county director and sends a copy to FSSD Child Care Section to determine whether to terminate the contract.**
5. (a) **The prefix of a Child Welfare case number is KK.**  
  
(b) **The computer check is run by both name and Social Security number. Documentation of findings is kept confidential and not released to the client. If concern exists about the caregiver's ability to safely care for the child(ren), the county director makes the final decision regarding whether to contract with this caregiver.**

**340:40-13-3. Child care payments and rates**

(a) The Oklahoma Department of Human Services (OKDHS) contracts to purchase out-of-home child care services for children only with licensed providers who:

- (1) post rates and fees;
- (2) sign and comply with all the terms of Form 08CC001E, Child Care Provider Contract;
- (3) have participated in mandatory contract training; and
- (4) have access to an account at a financial institution for electronic benefit transfer (EBT) purposes.

(b) In accordance with Section 85.44B of Title 74 of the Oklahoma Statutes, OKDHS cannot make advance payments to child care providers.

(c) The rates paid by OKDHS are determined by:

- (1) the child's age;
- (2) settings in which the care is provided:
  - (A) the child's own home;
  - (B) a child care center; or
  - (C) a child care home;
- (3) whether the child has disabilities and the provider is approved for the special needs rate unit type. The special needs rate is added to the applicable rate a child care provider receives for a typical child of the same age after the Form 08AD006E, Certification for Special Needs Child Care Rate, approval process is followed; ■ 1
- (4) whether the care is provided full-time, over four hours per day or part-time, four hours or less per day;
- (5) whether the worker approves a full-time daily, part-time daily, a combination of full-time and part-time daily, blended, or a weekly unit type; ■ 2
- (6) the county in which the provider is located; and

(7) whether the facility qualifies for a differential quality rate.

(d) The in-home child care rate is paid for children cared for in their own homes. The in-home rate is 90% of the one star child care home daily rate shown on OKDHS Appendix C-4, Child Care Eligibility/Rates Schedule, for the child's age. If a child is eligible for the severe or moderate special needs rate, this additional amount is added to the applicable in-home rate for that child. ■ 3

(e) When the child is cared for in an out-of-home child care center or home, the allowable rate is the amount as shown on OKDHS Appendix C-4.

(f) Care may only be authorized at one facility per day per child. If the client uses care at two different providers for the same day for the same child, OKDHS staff approves care at only one of the facilities. The parent or caretaker can use care at two different providers for the same child when care is needed on different days of the week. ■ 4

(g) Charges are authorized and payment is made only when the care provided is in accordance with the jointly developed plan of service between the client and OKDHS.

(h) Age-driven rate changes are effective the first of the month following the child's birth date except as shown in (i) of this Section.

(i) Eligibility for a child stops the day before:

(1) a typical child reaches age 13; or

(2) a child with disabilities or a child in OKDHS custody reaches age 19. ■ 5

(j) A change to add the higher special needs rate to the applicable daily rate is effective the first of the month following the month eligibility for this rate is determined. ■ 6

(k) A child care provider may be approved for a differential quality rate if he or she meets the criteria for this rate. This rate is given effective the first of the month following the month Division of Child Care (DCC) licensing staff approves the provider for the rate. The rate is designated on OKDHS Appendix C-4 by its star status. ■ 7

(l) The traditional school year blended rate may be approved for children age four and older from August 16th through May 15<sup>th</sup> each year for children attending public school, a pre-kindergarten program, or Head Start during the traditional school year. The extended school year blended rate may be approved for the full calendar year when children attend school the entire year. ■ 2

**INSTRUCTIONS TO STAFF 340:40-13-3**

- 1. See OAC 340:40-7-3.1 for information about Form 08AD006E, Certification for Special Needs Child Care Rate, approval process. Until the entire process is completed, the worker approves the child at the usual rate for a typical child of the same age. The provider must keep a copy of Form 08AD006E at the facility.**
- 2. (a) To help determine the appropriate unit type, the worker can use the Appendix C-4-C, Unit Type Chart for Child Care Authorizations.**

**(b) The worker authorizes a daily part-time unit type when care is needed four hours or less every day authorized.**

**(c) The worker authorizes a daily full-time unit type when care is needed more than four hours every day authorized and the child does not qualify for weekly unit type.**

**(d) The worker approves a combination of full-time and part-time unit types when care is needed four hours or less for some of the days and more than four hours for other days. If the child is four years or older, the worker first determines whether the child qualifies for a blended unit type before approving a combination of full-time and part time unit types.**

**(e) Care authorized on a weekly unit type is paid at a full-time daily or part-time daily rate for the days the child attends care. An absent day payment may be made to the child care provider for days the child does not attend care only if the child attends the minimum number of days required in the month to qualify. See Oklahoma Department of Human Services (OKDHS) Appendix C-4-B, Weekly Unit Type Guidelines, to determine the minimum number of days a child must attend to qualify for an absent day payment and the maximum number of days OKDHS can pay the provider.**

**(1) The worker approves a weekly unit type when the child attends the child care facility for the entire month and:**

**(A) the client works at least 40 hours per week or 80 hours every two weeks over three or four days per week. The child must need child care for all of the work hours. When the client needs care three or four days per week but is not working 40 hours per week or 80 hours in a two week period, a full-time daily unit type is approved. When the client**

qualifies for a three or four day weekly unit type, the worker must send an e-mail to [daycare@okdhs.org](mailto:daycare@okdhs.org) to request that the authorization be changed to a three or four weekly unit type. The worker includes in the e-mail:

(I) the case number and person code for the child;

(II) whether the worker is requesting a three or four weekly unit type;

(III) the days and hours the client works each week or every two weeks; and

(IV) how the work schedule was verified; or

(B) the client needs care on a regular basis five, six, or seven days per week more than four hours each day. The client can require care for any of the need factors shown at OAC 340:40-7-7.

(2) Care is not approved for a weekly unit type when:

(A) the same child is using two different child care providers;

(B) any of the care is needed part-time;

(C) the need for child care fluctuates. For example, if the client needs care three to five days per week, the worker approves a daily unit type;

(D) the child is using an in-home child care provider; or

(E) the child care provider prefers a daily unit type.

(f) The worker approves a blended unit type for children age four and older during the school year when care is needed Monday through Friday part-time for the days school is in session and full-time for school holiday. OKDHS has established two blended unit types, traditional and extended school year. The traditional school year blended unit type is approved when full-time care is needed during the summer months. It is calculated from August 16th through May 15th of each year. The extended school year blended unit type is for year around school and is calculated for the entire calendar year. The worker must determine which blended unit type is appropriate. During the summer months, the provider is paid the full-time daily rate with an absent day

payment if applicable for authorizations coded with a traditional blended unit type. The blended unit type is not appropriate if:

- (1) the child requires more full-time care days in addition to school holidays during the school year;
- (2) the facility is not open on school holidays;
- (3) only part-time care is needed;
- (4) more than one child care provider is needed for the child; or
- (5) the child qualifies for a special needs or in-home child care rate.

(g) When a blended, part-time, or full-time unit type is authorized, OKDHS only pays for those days the child actually attends child care. When a weekly unit type is approved, OKDHS pays for absent days per month as shown on OKDHS Appendix C-4-B.

(h) See OAC 340:40-5-1 for information regarding completing a plan of service and OAC 340:40-7-7 for information on determining the need factor for child care.

3. See OAC 340:40-13-1(b) and 340:40-13-2 for information regarding approving an in-home child care provider. See OAC 340:40-7-3.1 for procedures to approve the moderate or severe special needs rate.
4. Care may only be authorized at one facility per day per child. When the client advises the worker that he or she plans to use two different providers for the same child, the worker determines what days of the week care is needed at each provider. If care is needed on different days, the worker can authorize care at both providers. Authorizations for both providers cannot exceed the maximum that would be authorized if care were only needed at one provider. For example, the client wishes to use one provider three days per week and another provider two days per week. The maximum number of days that the worker approves for care is a total of 23 days per month.
5. See OAC 340:40-7-3 for age requirements.
6. See OAC 340:40-7-3.1 for information on the approval process for the higher special needs rate. Also see OAC 340:40-13-1(b) when in-home care is

**approved. If the provider does not qualify for this higher rate, the worker may authorize child care with a part-time daily, full-time daily, or a weekly unit type for this provider.**

- 7. See OAC 340:110-1-8.3 for information on the criteria Division of Child Care licensing staff use to approve this differential quality rate.**

**340:40-13-5. Child care provider contracts**

(a) **Criteria.** In order for the Oklahoma Department of Human Services (OKDHS) to purchase out-of-home child care services, a provider must have a current Form 08CC001E, Child Care Provider Contract, signed by both the owner of the facility and the OKDHS Director or designee on file with the Family Support Services Division (FSSD) Child Care Section. OKDHS assures all persons that OKDHS or any provider of contractual services, does not take into account a person's race, color, religion, sex, national origin, or disability in the selection or eligibility of individuals to receive services and in the manner of providing them. Age may be a factor only to the extent that certain services are designed for a particular age group.

(1) Written complaints of noncompliance with the assurance in (a) of this Section may be made to the Director of OKDHS or to the Secretary of Health and Human Services, Washington, D.C. 20201.

(2) Local Division of Child Care (DCC) licensing staff provide initial information about contracts for child care facilities. The provider contacts the child care liaison to request a contract.

(3) Child care contracts are valid for a maximum of one year. They are automatically renewed for successive one year terms, under the same terms and conditions, unless either the child care provider or OKDHS gives written notice of its intent not to renew to the other party at least 30 calendar days prior to the expiration of the current term.

(b) **Procedure for obtaining child care contracts.** OKDHS contracts only with licensed or permitted out-of-home providers. A child care center provider requesting an initial contract must be licensed or permitted and have a one plus, two, or three star status before signing Form 08CC001E. A one star child care home provider requesting an initial contract must be licensed; not on permit, before signing Form 08CC001E.  
■ 1 A child care home provider at one plus, two, or three star status requesting an initial contract must be licensed or permitted before signing Form 08CC001E. The procedures in (1) through (8) of this subsection are used to obtain child care contracts.

(1) DCC licensing staff give the child care provider a promotional flyer containing information about contracting with OKDHS. The provider is instructed to contact the child care liaison for training and review of the contracting requirements.

(2) When contacted by the owner or director of a child care facility, the child care liaison explains that the owner must review the "Contracting with DHS for Child Care Subsidy Payments Handbook" and watch a training video before an initial contract is

submitted to the FSSD Child Care Section. In-home child care providers must also watch this training video.

(A) If the owner of a child care center does not live in Oklahoma, the director of the facility can fulfill this requirement.

(B) Child care directors are not required but are highly encouraged to also watch the training video.

(C) The child care liaison arranges an appointment time with the owner or director to watch the training video. ■ 2

(3) If the provider wishes to contract with OKDHS following this training, the child care liaison gives Form 08CC001E to the child care provider after typing all identifying information on the contract. The child care liaison explains that the earliest date a contract is valid is the date of approval by the OKDHS Director or designee.

(4) The owner and director sign the contract before a Notary Public and return the contract to the child care liaison. ■ 3 The owner must also provide proof of his or her identity, a copy of his or her Social Security card, and proof of ownership of the child care business. ■ 4

(5) The child care liaison sends Form 08CC001E to the FSSD Child Care Section for approval or denial along with:

(A) the Contract Routing Checklist;

(B) a copy of the owner's Social Security card;

(C) proof of ownership;

(D) a copy of the provider's Oklahoma State Bureau of Investigation background investigation report; and ■ 5

(E) proof of the employer identification number (EIN) for a child care center provider.

(6) If the child care provider signs Form 08CC001E but fails to complete other contracting requirements within 30 calendar days, the child care liaison attaches Form 08CC001E to the Contract Routing Checklist and sends it to the FSSD Child Care Section for denial.

(7) If approved, the FSSD Child Care Section staff assign a contract number and send a copy of the signed contract back to the provider. ■ 6

(8) If denied, the FSSD Child Care Section returns the original contract to the provider with a letter advising the provider OKDHS has decided it is in the best interest of OKDHS not to contract with the provider.

(c) **Out-of-state providers.** OKDHS does not contract with out-of-state child care providers. ■ 7

(d) **Changes that must be reported.** Form 08CC001E advises child care providers to report to the FSSD Child Care Section the anticipated sale of the business, change of legal business entity, change of location, or plan to stop caring for children no less than 30 calendar days prior to the change occurring. The training video does not need to be viewed as long as the person who signs as owner on the new contract remains the same and he or she already viewed the most recent training video. When the provider fails to report the anticipated change timely and a new contract is needed, a gap may occur in the child care subsidy payment to the provider. A new contract is required in the situations included in (1) through (4).

(1) **Change in facility status.** A change in facility status occurs when a facility changes from a home to a center or a center to a home. A change from a family child care home to a large family child care home does not require a new contract as long as the same license number is used.

(A) When the status of a child care home changes to a child care center, a new license application is required. Prior to signing a new contract, the provider must be issued a license or permit at one plus, two, or three star status.

(B) When the status of a child care center changes to a child care home, a new license application is required. Prior to signing a new contract, the provider must be issued a license or permit at one plus, two, or three star status, or be licensed; not permitted, at one star status. ■ 1

(2) **Change in ownership for a child care center.** The new owner must meet or be anticipated by DCC licensing staff to meet one plus, two, or three star status within 30 calendar days before a new contract is signed and submitted to the FSSD Child Care Section. ■ 8

(3) **Change of location.** When a child care center or home provider changes the location of his or her child care business, the provider must sign a new license application agreeing to care for children only in the new location and notify FSSD

Child Care Section staff of the new location. The provider's license and contract remain open with the same begin date, the same number assigned, and the star status remains the same. ■ 9

**(4) Change of legal business entity.** The child care provider must complete a new license application and contract when he or she changes his or her legal business entity. ■ 10 Examples of changing legal business entity include changing from a sole proprietor to a corporation, partnership, or limited liability company. The provider must provide proof of ownership. ■ 4

(A) A child care center provider who was at one plus, two, or three star status under their previous legal business entity can sign and submit Form 08CC001E to the FSSD Child Care Section while the new license application is pending. A child care center provider who was at one star status under the previous legal business entity cannot sign a new contract until attaining one plus, two, or three star status even if a child already receiving child care subsidy benefits is currently in care under their previous legal business entity.

(B) Child care home providers who were at one plus, two, or three star status under their previous legal business entity can sign and submit Form 08CC001E to the FSSD Child Care Section while the new license application is pending. Child care home providers who were at one star status may only sign a new contract once they are licensed; they cannot be in permit status. ■ 1

**(e) Providing care at a different site than is authorized.** When the child care provider signs the child care contract, he or she agrees to provide care only at the physical address designated in the contract. In certain circumstances, a child care center provider who owns more than one child care center only may move children eligible for subsidized child care benefits to an alternate center after he or she receives prior approval in writing from the FSSD Child Care Section authorizing him or her to move the children and the point-of-service (POS) machine to the alternate site for a designated period of time. FSSD Child Care Section staff give approval when:

- (1) the same owner or legal business entity owns the alternate site;
- (2) the alternate site is licensed and contracted at the same star level;
- (3) there is a legitimate business reason for providing care in another location; and
- (4) the provider advises FSSD Child Care Section staff how he or she is ensuring that parents are aware their children are being cared for at a difference location.

(f) **Renewal of child care contracts.** Child care provider contracts are effective July 1 through June 30 of each year. Contracts are automatically renewed for successive one year terms, under the same terms and conditions, unless either the provider or OKDHS gives written notice of its intent not to renew to the other party at least 30 calendar days prior to the expiration of the previous term. A contract is not renewed when a provider fails to attend required contract training or to provide any other information or documents requested during the contract renewal period.

(g) **Contract violations.** When the child care provider signs Form 08CC001E, the provider is agreeing to abide by the terms of the contract. When human services center staff become aware that a provider is violating the terms of the contract, he or she advises the provider to stop the practice immediately and sends an e-mail to FSSD Child Care Section advising of the circumstances. ■ 11 He or she may also complete Form 19MP001E, Referral Form, to report the violation to the Office of Inspector General. Examples of contract violations include, but are not limited to:

- (1) discriminating against persons seeking services either by charging a discriminatory rate or violating a person's rights as listed in the Civil Rights Act of 1964 as amended, the Rehabilitation Act of 1973 as amended, or the Americans with Disabilities Act of 1990;
- (2) failing to maintain a drug-free workplace;
- (3) possessing or swiping a client's electronic benefit transfer (EBT) card;
- (4) knowing a client's personal identification number (PIN);
- (5) failing to ensure accurate time and attendance information was recorded by the parent or caretaker on the POS machine. The attendance, not time, of a child approved for the part-time or blended unit type must be recorded during the school year by the parent or caretaker;
- (6) charging a client receiving subsidized child care more than the OKDHS rate for days and hours within the client's plan of service;
- (7) charging a client for days and hours outside of client's plan of service or requiring that the client swipe attendance for those days and hours when the additional hours are a requirement of the provider and not a choice of the client; ■ 12
- (8) moving the children from the agreed upon location shown in the contract for reasons other than field trips and claiming for services at this other location without prior written approval from the FSSD Child Care Section;

(9) moving the POS machine and allowing parents to record time and attendance at a different location than agreed upon in contract without receiving prior written approval from the FSSD Child Care Section in accordance with subsection (e) of this Section;

(10) failing to advise and provide OKDHS a completed copy of any agreement the provider enters into within 30 calendar days of entering into such collaboration or agreement. This includes agreements with Head Start, Early Head Start, public schools, and/or any other programs receiving state or federal funding;

(11) claiming and/or receiving payment from OKDHS for the same hours of care the provider receives payment from another state or federal funding source;

(12) failing to inform OKDHS of a change in facility status, location, legal business entity, or ownership of the business at least 30 calendar days in advance of the change;

(13) filing manual claims when they could be filed through the EBT system;

(14) failing to post all of the facility's rates and fees;

(15) subcontracting services to another provider without written prior approval from OKDHS;

(16) refusing unlimited access by a parent or caretaker to the facility during the hours of operation;

(17) refusing to make available to OKDHS within an hour of request by any OKDHS representative all business records that document proper fiscal and program management by the provider;

(18) breaching the contract signed by the provider with the OKDHS EBT contractor;

(19) not maintaining written records for any manual claims filed during the last three years; and

(20) failing to inform OKDHS in writing within ten calendar days of any person who has an ownership or controlling interest in, or is an agent or managing employee of the child care business, who has been convicted of a criminal offense related to such person's involvement under Titles XVIII, XIX, or XX of the Social Security Act.

(h) **Cancellation of child care provider contracts.** FSSD Child Care Section staff

initiates the cancellation by issuing a notice to the provider by certified mail and regular mail at the same time.

(1) Contracts may be canceled:

(A) with cause. The effective date of cancellation is 13 calendar days after FSSD staff mail the notice. This allows three calendar days for mailing time. The notice must contain a reference to the grounds for cancellation including the specific contract provision(s) that was violated; or ■ 13

(B) without cause. The effective date of cancellation is 33 calendar days after FSSD staff mail the notice. This allows three calendar days for mailing time. ■ 13

(2) The FSSD Child Care Section communicates with the child care liaison when a contract is being canceled to ensure that human services center staff have sufficient time to plan with clients to find another facility, if necessary. When it is necessary to cancel authorizations with a child care provider, the provider is notified by use of a computer-generated notice. FSSD Child Care Section staff closes all authorizations with the provider whose contract is canceled.

(3) When OKDHS initiates contract cancellation, FSSD Child Care Section staff route all correspondence regarding contract cancellation proceedings to:

(A) DCC, licensing coordinator;

(B) Legal Division;

(C) Finance Division;

(D) Office of Inspector General;

(E) FSSD Overpayment Section;

(F) Commodity Distribution Unit;

(G) the Child Care Resource and Referral Agency serving the area where the provider is located;

(H) Department of Education, Child Care Food Program;

(I) Cherokee Nation, if serving the area where the provider is located;

(J) Creek Nation, if serving the area where the provider is located;

(K) Choctaw Nation, if serving the area where the provider is located;

(L) Field Operations Division area office where the provider is located; and

(M) the local county director, child care liaison, DCC licensing supervisor, and DCC licensing staff where the provider is located.

(4) Copies of all correspondence regarding contract cancellation proceedings that are initiated by the provider are routed by the FSSD Child Care Section to:

(A) Finance Division; and

(B) local county director, child care liaison, DCC licensing supervisor, and DCC licensing staff where the provider is located.

#### **INSTRUCTIONS TO STAFF 340:40-13-5**

1. (a) **The child care liaison monitors the license status of all providers requesting a contract by accessing Division of Child Care (DCC) Licensing Services information on the Information Management System (IMS). To obtain a license case number, the liaison uses the LISAX transaction. Enter LISAX space and up to the first 15 letters of the child care center name or child care home provider's last name. The LF transaction is used to inquire about the status of child care centers, and the LH transaction is used to inquire about the status of child care homes. Enter LF or LH space and the licensing case number. Case status code 2 indicates the facility is on permit status; 3 indicates the facility is licensed; and 4 indicates the facility is on provisional status.**

**(b) The LF or LH screen also shows the star status of a provider near the top of the screen. If the star status is one plus, two or three star, the child care liaison allows the child care provider to sign a contract even when the star status effective date is a future date. The child care liaison sends the contract to Family Support Services Division (FSSD) Child Care Section as soon as all other required information is provided. The child care liaison uses the Contract Routing Checklist document located on the FSSD Child Care Web site under Child Care Liaison Tools to ensure all required information is submitted with Form 08CC001E, Child Care Provider Contract.**

**(c) If the LF screen shows a child care center provider is at one star status, the**

child care liaison advises the provider he or she must attain one plus, two, or three star status before he or she may sign Form 08CC001E.

(d) If the LH screen shows that a child care home provider is at one star status, the child care liaison looks at field 413 to determine whether the case status code is 3. If the case status code is not 3, the child care liaison advises the provider he or she must become licensed, not permitted, or attain a one plus, two, or three star status before he or she may sign Form 08CC001E.

(e) See Instruction to Staff 7 when a new contract is requested because of a change in ownership.

2. (a) The provider must wait to view the training video until after he or she meets necessary criteria at subsection (b) and Instructions to Staff 1 of this Section.

(b) The owner may view the video in a different county than the one in which the facility is located.

(c) If a provider has already viewed the training video within the last three months, he or she is not required to view it again.

3. The dates in Part One and Part Two of Form 08CC001E are left blank for entry by FSSD Child Care Section staff. The earliest date entered is the date approval of the contract is granted.

4. (a) The owner must provide photo identification to the child care liaison. The child care liaison checks on the Contract Routing Checklist that he or she has seen photo identification that confirms the owner's identity. A copy of the photo identification is not sent to FSSD Child Care.

(b) The provider designates on Form 08CC001E his or her type of legal business entity. The child care liaison uses Oklahoma Department of Human Services (OKDHS) Appendix L-7, Ownership Proof Chart, to determine what the provider must furnish to verify proof of ownership for that type of business entity.

5. In order to obtain a license, the owner of a child care facility must undergo an Oklahoma State Bureau of Investigation (OSBI) background check. The provider must obtain a copy of his or her OSBI background check from the licensing specialist or provide his or her own copy to the child care liaison.

6. (a) FSSD Child Care Section staff enter information about the provider on the Day Care Contract File when the contract is initially approved and as changes occur. FSSD Child Care staff notify the child care liaison by e-mail of the contract number and the approval date for the contract. The child care liaison then notifies the new contracted provider and appropriate human services center staff of the new contract number and approval date for the contract.

(b) Human services center staff access information about contracted child care providers by using transaction PCI on IMS. Enter PCI space and the contract number. The PCI screen gives information about the child care provider such as the provider's name, location, and mailing addresses, contract begin date, and the name of the owner. If the contract number is unknown, the worker obtains the number by using the PCX transaction or Child Care Locator.

(1) To use PCX the worker enters PCX space and up to the first eight letters of the child care center name or child care home operator's first name. The PCX transaction displays the names of all child care providers with those beginning letters. Human services center staff enter PCI next to the contract number on the list displayed to obtain information about the provider. To view instructions and filter options for these transactions, enter M space and the transaction code. Example: M space PCX.

(2) Child Care Locator is available on the InfoNet under OKDHS Tools. The worker clicks on Child Care Locator, chooses the county where the facility is located, and enters the name of the facility for a child care center or the first and last name of the owner for a child care home. A gray ball appears in front of the names of providers with child care contracts. The worker obtains the contract number by hovering their mouse over the gray ball.

**(c) FSSD Child Care Section staff send a copy of the "Contracting with OKDHS for Child Care Subsidy Payments" handbook and the training video with the same name to the provider after contract approval.**

7. (a) If a client states he or she wishes to use an out-of-state provider, the worker advises the client that OKDHS does not contract with out-of-state providers. The worker asks the client to choose an in-state contracted provider.

(b) If an out-of-state provider requests a contract, the child care liaison advises the provider that OKDHS only contracts with child care providers

operating in Oklahoma. If the provider insists on filling out a contract, the liaison sends it to the FSSD Child Care Section. FSSD Child Care Section staff send the provider a denial letter.

8. (a) When the child care provider signs Form 08CC001E, he or she agrees to notify the FSSD Child Care Section no less than 30 calendar days prior to the effective date of any anticipated sale of the business. If the old and/or new owner provides timely notification of the anticipated ownership change and children receiving a child care subsidy are currently in care at the facility, OKDHS staff make every effort to avoid or reduce any gap in the child care subsidy payment by allowing the new owner to sign a child care contract and view the training video as soon as possible.

(b) When the old owner contacts OKDHS in advance to advise of the ownership change, staff advise him or her to tell the prospective owner to apply for a child care license with the local DCC licensing specialist and a contract with the child care liaison as soon as possible.

(c) When the child care liaison is notified in advance of an ownership change by the new owner, the child care liaison advises the new owner that he or she must apply for a child care license first. If the new owner has already applied for a license, the liaison asks if the new owner applied for a one star plus or higher star level. If the new owner has not applied for a one star plus or higher star level, the liaison advises the new owner that a contract cannot be signed or the training video viewed until the owner requested a one star plus or higher star status.

(d) After the new owner has applied for a one star plus or higher star level, the liaison checks with the DCC licensing specialist about the status of the licensing application. If the DCC licensing specialist states it appears likely a permit or license can be approved upon change of ownership and one star plus or higher star status is expected to be approved within 30 calendar days, the liaison allows the provider to sign Form 08CC001E, shows the provider the training video, and submits the Contract Routing Checklist and all necessary information to the FSSD Child Care Section.

(e) FSSD Child Care Section staff wait to approve or deny the child care contract until after the decision on the license application is made and star status determined. If a one star plus or higher status is not approved by DCC licensing staff, the contract is denied.

9. FSSD Child Care staff wait to change the provider's address on the Information Management Services (IMS) DayCare Contracts/Registrations transaction PCU until confirming that the address change has already been made by DCC licensing staff.
10. When a new contract must be signed because of a change in legal business entity, the provider completes the contract with the child care liaison. The owner must provide proof of identity and ownership. All center providers must also provide proof of an employer identification number (EIN) in the name of the new business entity. For business entity changes, the provider does not have to provide a new OSBI background investigation report or view the training video.
11. (a) FSSD Child Care staff review the circumstances and whether the provider has agreed to stop the practice. Depending on the circumstances, FSSD staff may:
- (1) decide no further action is needed;
  - (2) request that human services center staff complete Form 19MP001E, Referral Form, to start an investigation; or
  - (3) decide to cancel the child care provider's contract.
- (b) When FSSD Child Care staff recommend completion of Form 19MP001E, human services center staff put as much detail as possible about the violation on the form. This includes who reported the violation, what was alleged, the provider's comments when called about the violation, and a telephone number to reach this person. The human services center staff attach any written documentation that supports the allegation to the Form 19MP001E. When a client reports a violation, this could be a written statement from the client about the violation.
12. There are providers who require that all children be in attendance by a certain time every morning, for instance 9:00 a.m. regardless of the client's work or school schedule. Reasons given by the provider may include to limit disruptions to program content, so all children can participate fully in the quality content of the child care program, or to reduce transportation costs for the provider. If, based on the client's work or school schedule, care is not needed until 11:00 a.m., the client swipes attendance by entering a previous in for 11:00 a.m. on the point-of-service (POS) machine when the child is picked

up at the end of the day. The provider must not charge the client for the additional two hours of care. If the client chooses to drop the child off at the child care provider earlier than the approved plan of service hours or leaves the child later for personal reasons, the provider can charge the client for those additional hours.

13.(a) When a contract is canceled with cause, the reason is included in the provider's cancellation letter. The provider is advised OKDHS will no longer make child care payments 13 calendar days from the date OKDHS staff mail the notice to the provider.

(b) When OKDHS cancels a contract without cause and the child care facility was recently audited or investigated by the Office of the Inspector General (OIG), the provider is reminded in the cancellation letter of the audit or investigation and that the OIG auditor or investigator advised the provider that he or she meets the criteria for contract cancellation. The provider is also advised in the letter that OKDHS no longer makes child care payments 33 calendar days from the date OKDHS staff mail the notice to the provider. Reasons that a contract might be cancelled following an OIG audit or investigation include evidence that the provider:

(1) was in possession of or swiped a client's electronic benefit transfer (EBT) card;

(2) has knowledge of a client's personal identification number (PIN);

(3) failed to ensure accurate time and attendance information was recorded on the point-of-service (POS) machine by the client;

(4) failed to provide accurate or complete information on a manual claim that was filed by the provider and paid by OKDHS;

(5) failed to maintain a drug-free workplace; or

(6) failed to allow full access to the facility's premises and personnel to investigate a drug-related complaint.

(c) Other reasons a provider contract may be cancelled without cause include, but are not limited to when:

(1) DCC staff revoke the provider's child care license. Payments by OKDHS

for care given by providers holding a current child care provider contract may continue throughout the 33 calendar day period during which the intent to revoke a license may be appealed.

(A) If the provider does not appeal the intent to revoke the license, the contract is automatically canceled.

(B) If the provider does appeal license revocation, denial of a renewal license, or denial of a license while operating under a six month permit, the contract may be canceled or continued until the appeal is decided;

(2) persons whose contracts have previously been cancelled following an OIG audit or investigation are now owners, authorized representatives, or materially involved in the business of a new facility at the same address;

(3) the provider has an outstanding overpayment debt with OKDHS either as a client or as a provider;

(4) the provider receives benefits as an OKDHS client and his or her benefits are closed due to fraud;

(5) it comes to the attention of FSSD Child Care staff that a provider has been convicted of a felony that has been verified with the Oklahoma State Bureau of Investigations (OSBI) or the Oklahoma Supreme Court Network (OSCN);

(6) it comes to the attention of FSSD Child Care staff that a provider has been debarred, suspended, proposed for debarment, or declared ineligible by any federal department or agency or convicted of a fraud-related crime;

(7) the provider is convicted of Food Stamp trafficking;

(8) the provider requests cancellation of the contract;

(9) the ownership of a facility changes;

(10) a one star center provider no longer has open child care authorizations; or

(11) the provider commits a contract violation that is brought to the attention of FSSD Child Care staff and refuses to correct it.