TO: ALL OFFICES

SUBJECT: MANUAL MATERIAL

OAC 340:40-3-1; 40-5-1; 40-7-1; 40-7-3.1; 40-7-6; 40-7-8 through 40-7-9; 40-7-11; 40-9-1 through 40-9-2; 40-10-1 through 40-10-4; 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) remove the rule that a new application must be completed following an approval for child care to job search or when expedited eligibility processing is used; (2) refer to specific policy for handling denied applications; and (3) remove references to specific application form names. Instructions to staff (ITS) is amended to: (1) remove outdated language; and (2) clarify when an exception may be granted for a child to be approved for care in a child care home in which the client works.

OAC 340:40-5-1 is amended to: (1) remove language allowing approval for care in a child care home in which the client works from rules; (2) remove specific star status references; and (3) add clarifying language requiring a provider to charge all parents for hours subsidy child care is requested. ITS is amended to: (1) remove outdated language; and (2) clarify when an exception may be granted for a child to be approved for care in a child care home in which the client works.

OAC 340:40-7-1 ITS is amended to clarify that a child cannot be predetermined eligible with a zero co-payment based on receipt of Supplemental Security Income (SSI) unless the child receives at least a one dollar SSI payment.

OAC 340:40-7-3.1 is amended to: (1) change responsibility for determining and approving the special needs rate from the worker to the Family Support Services Division (FSSD) Child Care Subsidy Section staff for Family Support Services (FSS) cases; (2) clarify Child Welfare (CW) responsibility; (3) remove instructions for how to complete Form 08AD006E, Special Needs Child Care Rate Certification; and (4) add two new reasons a new Form 08AD006E
must be completed. ITS is amended to: (1) add new language regarding how the special needs rate is now approved and who is responsible for which parts of the approval process; and (2) remove outdated language regarding the process and instructions contained on forms.

OAC 340:40-7-6 is amended to clarify when the income of a non-relative of the opposite sex is not considered. ITS is amended to: (1) remove language now in rules; and (2) add language requiring workers to document in case notes why the client’s statement regarding relationship is questionable and verification is requested.

OAC 340:40-7-8 is amended to: (1) add language to clarify that need factor requirements are for single and two-parent households; (2) remove the requirement for a new application when job search approvals are made and client reports a new job within the 30 calendar day time frame; and (3) specify when enrichment child care may be approved for a school age child. ITS is amended to: (1) remove outdated language and add new language regarding authorizing child care for job search; (2) add policy cite for reviews; and (3) add documentation required when an exception is requested for enrichment child care.

OAC 340:40-7-9 is amended to: (1) clarify that a client must verify cooperation with Oklahoma Child Support Services (OCSS) when the non-cooperation occurred within 90 calendar days of the denial or closure of benefits; (2) add language allowing approval of benefits without a new application following a denial if the client cooperates within 30 days of that denial; (3) add that if non-cooperation occurred more than 90 days prior to an application, benefits may be approved when the client agrees to cooperate; and (4) separate denials and closures for failure to cooperate. ITS is amended to add that workers consider the child’s full SSI income rather than close benefits when the client is not the payee of the SSI income and fails to take action to become the payee within 90 calendar days.

OAC 340:40-7-11 is amended to: (1) add language when temporary disability insurance payments and temporary worker’s compensation payments are considered as earned income; (2) clarify that Variable Housing Allowance (VHA), Basic Allowance for Quarters (BAQ) and Basic Allowance for Housing (BAH) are countable wages for military personnel; (3) add language specifying the federal tax return, when filed, is used to calculate self-employment income; (4) add language to consider the child’s full SSI benefits when the client is not the payee and fails to take action to become the payee within 90 calendar days. ITS is amended to: (1) remove information on
calculating self-employment income that is now in the rule; and (2) add clarifying language for verification that can be required.

OAC 340:40-9-1 is amended to: (1) remove language regarding benefit reporter households; (2) change the review time frame from 12 months to six months for all households except when the child receives Temporary Assistance for Needy Families (TANF) or a State Supplemental Payment (SSP); (3) remove the interview requirement at review with the exception of benefits approved for a protective or preventive need; and (4) clarify the process for determining eligibility at review. ITS is amended to: (1) remove language regarding the benefit reporting process; (2) add methods the client may use to complete the review which include using OKDHSLive; (3) clarify that an electronic signature is considered the same as a pen and ink signature; (4) clarify that the child care review is completed in conjunction with the TANF or SSP review, when applicable; and (5) clarify what the worker must do to complete the review, when the review is incomplete, and when benefits may be reopened following closure.

OAC 340:40-9-2 is amended to: (1) remove references to reporter status; (2) clarify the time frame workers have to take action on changes; (3) remove language that a new application is required when expedited processing is used or child care for job search is approved; and (4) add clarifying language that the client must reapply when child care benefits have been closed more than 30 calendar days or in some instances when an adopted child turns six years of age. ITS is amended to: (1) clarify that a client does not need to come into the office to report changes; and (2) add that Form 10EB004E, Report of EBT Child Care Payment Adjustments, is completed when a reopen action is entered more than ten calendar days from the closure date when the client has been swiping attendance.

OAC 340:40-10-1 ITS is amended to refer to the FSSD Child Care Subsidy Section web page for instructions on using the EPPIC system.

OAC 340:40-10-2 is amended to: (1) clarify the error messages the client may receive on the point-of-service (POS) machine that require the client to immediately contact his or her worker; and (2) remove outdated language regarding the application form. ITS is amended to: (1) clarify the difference between pending messages and pending different provider messages; (2) clarify the process for correcting attendance after receiving a pending or denied message; and (3) refer to the FSSD Child Care Subsidy Section web page for
instructions on using the EPPIC system.

OAC 340:40-10-3 is amended to update form numbers.

OAC 340:40-10-4 is amended to: (1) remove military bases as child care providers without POS machines; and (2) add the Electronic Payment Systems (EPS) Unit name. ITS is amended to: (1) clarify that providers can print copies of Form 10AD121E, Child Care Claim, from the Provider Web; (2) add the EPS Unit name; (3) clarify the process for providers to void transactions; (4) clarify the process the EPS unit uses for manual adjustments; and (5) change the name of the Systems Unit to the Application Development and Operations Section.

OAC 340:40-13-5 is amended to: (1) remove specific star status references; (2) remove the requirement to return the original contract to a provider when the contract is denied; (3) add new reporting requirements for providers; (4) remove requirement to complete a new contract when the facility status changes from a home to a center or a center to a home; (5) change in ownership procedures for a child care home; (6) remove requirement for child care liaisons to advise providers who are violating their contracts to cease the activity immediately as this will be handled by FSSD Child Care Subsidy Section staff; (7) add contract violations relating to providers claiming payment for care when they receive federal funding for that care, claiming payment for care given by a home provider for an employee’s child, failing to allow full access to the facility for a complaint investigation, and operating over licensed capacity and rearranging other violations for clarity; and (8) removing the requirement of initiating contract cancellations by certified mail. ITS is amended to: (1) allow FSSD Child Care Subsidy Section staff to initiate a corrective action plan for providers who have violated the contract; (2) change which entities receive emails regarding contract cancellations; (3) remove contract violations and refer to the violations listed in the rule; and (4) add that a contract may be cancelled when a provider shows a history of non-compliance with OKDHS policies and procedures.
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.

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340:40-3-1. Application process
Revised 6-1-11

(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. Subsidized child care benefits must be synchronized with the client's food benefits or SoonerCare (Medicaid) benefits per OAC 340:40-9-1(c). The Child Welfare or Family Support Services worker processes the application.

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

(A) an applicant initially applies for subsidized child care benefits. Refer to (c)(2) of this Section when an application is denied;

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

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

(D) family income was not considered because policy at OAC 340:40-7-12(6) applied and one or more of the affected adopted children turns six years of age unless there is already a separate open income eligible case and the child can be added to that case per OAC 340:40-9-2(c).

(2) 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.

(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. 4

(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. 5

(E) If the natural or adoptive parent is living in the home but is too incapacitated to apply, another person 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. 6

(3) **Application form.** An applicant or the applicant's authorized representative completes and signs an application to apply for subsidized child care benefits. 7

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. 8

(4) **Date of request.** The date of request is the date the applicant requests subsidized child care benefits verbally or in writing. 9

(5) **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, including the name of the child care provider the client wishes to use. 10

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

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


(6) **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. 11

(7) **Explanation of eligibility factors.** At the time of the initial interview, the worker advises the applicant or authorized representative of: 12
(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 including viewing the client training video;  ■ 13

(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 any changes in his or her circumstances within ten calendar days.  ■ 14

(8) **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 calendar days old.

(9) **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:

(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/Co-payment Chart, to determine whether the household meets income
guidelines. Refer to OAC 340:40-5-1(8) for information regarding 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 child care used before the certification date that is not part of the approved child care plan of service. ■ 16

(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 or provider. ■ 17

(C) If the client fails to swipe attendance, he or she is responsible for any care provided that day and may be responsible for any absent day payment OKDHS pays, if all of the 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. ■ 18 A new application is not needed when the applicant completes the application process and provides necessary verification within 60 calendar days of the original request date. ■ 19

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

Revised 6-1-11

1. (a) Child Welfare (CW) workers process applications made by:

   (1) a foster parent **whether or not a payment is made. Refer to OAC 340:75-7-65 for CW foster care child care requirements;**

   (2) a foster parent of a child in tribal custody with an open resource in the Child Abuse and Neglect Information System also known as KIDS;

   (3) foster parents in the process of a trial adoption of the foster child in their care; **and**

   (4) clients requesting protective/preventive care when CW is working with
the family and recommending protective or preventive child care.

(A) The county director decides which worker, Family Support Services (FSS) or CW, completes a protective or preventive child care request when responsibility is unclear.

(B) 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. Refer to OAC 340:40-7-8(e) Instructions to Staff (ITS) # 17 and 340:75-6-91 for CW preventive child care requirements.

(b) CW Swift Adoptions workers process applications for trial adoptive families who are adopting a child in Oklahoma Department of Human Services (OKDHS) custody that did not previously serve as the child's foster home. The need factor for these families is limited to employment per OAC 340:75-7-65, CW foster care requirements.

(c) FSS workers process all applications for:

(1) clients when a co-payment must be determined;

(2) children under Interstate Compact on the Placement of Children (ICPC). When a child is under an 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;

(3) a tribal foster family when there is not an open resource in KIDS. The worker sends an e-mail to daycare@okdhs.org notifying Family Support Services Division (FSSD) Child Care Subsidy staff of the approval. The e-mail includes the case number, foster parent’s name, and child’s name. FSSD Child Care Subsidy staff then requests that staff in the Children and Family Services Division (CFSD) Family Foster Care Section determine why there is not an open resource in KIDS;

(4) protective/preventive child care as long as there is not an open CW case. This can include when the family is not court involved but CW staff
contracts with an outside agency for CHBS. Refer to OAC 340:40-7-8(e) for information about processing FSS protective or preventive child care requests; and

(5) clients whose children are in OKDHS custody but are on trial reunification with their parents. When children are in OKDHS custody but on trial reunification with their parents, the parent's income is considered in determining the amount of the family share co-payment.

2. When a change of payee is reported, the worker must ask the client if the payee change is due to a temporary absence or if it is on a more permanent basis. If the absence is expected to be temporary, the worker refers to OAC 340:40-7-6(c). If the situation is not temporary, a new application must be completed.

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

   (1) the household 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 resulting 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.

4. Refer to OAC 340:40-7-6(c) when the absence of the parent is temporary.

5. Only the minor parent's income and need factor is used to determine the child's eligibility for subsidized child care benefits. Refer to OAC 340:40-7-6(b).

6. This situation may 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.

7. (a) The application consists of three forms: Form 08MP001E, Request for
Benefits, Form 08MP002E, Eligibility Information for Benefits, and Form
08MP003E, Responsibilities and Signature for Benefits.

(b) 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.

8. Refer to OAC 340:40-7-3.1 for information on approving a child with disabilities
for the higher special needs rate at the chosen facility.

9. (a) The date of request is entered in the Family Assistance/Client Services
(FACS) Eligibility Notebook, Child Care 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
(HSC), staff contacts 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, Client Contact
and Information Request, advising the client of the need for an interview and
verification.

10. (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
that 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 immediately know if they choose an ineligible
provider so another choice may be made. If the applicant chooses a child care provider who does not have a valid contract with the 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 determines 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 may be approved.

(c) The worker enters the date of application in the FACS Eligibility Notebook in the Child Care 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 determines more verification is still needed, the application date entered is the date the applicant provides the initially requested verification.

11. (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. HSC staff is 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 application form 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 the application;

(3) outstationing staff where needed to take applications;

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

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

(b) HSC staff makes 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 is considered an application. When the child care request is mailed or left at the HSC, staff contacts 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 advising the client of the need for an interview and verification.

12. (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. The worker keeps the signed original application forms in the case record or stores them in the imaged record. 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

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

(c) Refer to 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.

13. The video explains:

(1) proper care and use of the client's 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 may be resolved within ten calendar days.

14. Refer to OAC 340:40-9-2 for the types of changes that must be reported.

15. (a) An example of verification that is 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 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 counts 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 Child Care 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 Child Care 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 Benefit Integrity and Recovery Section.

16. If the applicant chooses a provider that has not yet been granted a contract, refer to 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 Child Care tabs in the FACS Eligibility Notebook. Refer to OAC 340:40-5-1 for details regarding the plan of service and 340:40-9-3 for notice requirements. Refer to OKDHS Appendix C-4-B, Child Care Provider Rate Schedule, 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. Refer to OAC 340:40-10-4 for information about the child care payment process that includes manual claims.

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

18. (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) Refer to 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. If the contract number is not known, a notice is generated by the computer to the applicant only.

19. 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

Revised 6-1-11

Providing child care is part of an overall plan of service designed to help the parent or caretaker with whom the child lives 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 per 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. 3

(A) 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 per OAC 340:40-7-7 and 340:40-7-8.

(B) 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. 4

(4) **Alternative to subsidized child care benefits.** The worker and client explore whether there is an appropriate, feasible alternative to Oklahoma Department of Human Services (OKDHS) subsidized child care benefits. 5

(A) 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.

(B) If the alternative is someone else, the client has a choice whether to use this alternative. 5 Possible alternatives include:

(i) 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;

(ii) 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;

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

(iv) 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 household income 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 per OAC 340:40-7-9.

(6) **Back up plan.** The worker and client discuss the back up plan for child care if the child cannot go to the usual provider because of illness, school holidays, or other unforeseen emergencies. 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) **Choice of provider.** The worker documents the choice of provider on the application or review form.

(A) 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.

(B) The client may choose a family child care home regardless of star level.

(C) The client may not choose a child care:

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

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

(iii) home in which the child resides;
(iv) home in which the client also works during the hours his or her child is in care; 11

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

(vi) provider who is receiving state or federal funds, such as Head Start, Early Head Start, or public schools who is not charging all parents for the hours subsidy payment is requested; and 6

(vii) 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 12

(viii) center, which is a one star facility unless there are no centers with a higher star status 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; 13

(II) care is requested for a child living in the same home as a child already approved for care as described in (7)(C)(viii)(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. 14

(8) Income determination. Per 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/Co-payment Chart, 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. 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.

(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.

(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.

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

   (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.

(F) 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. ■ 20

(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

Revised 6-1-11

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. Refer to OAC 340:40-7-3 and 340:40-7-3.1 for information about children with disabilities.

3. It is preferable for the client to provide a signed and dated written statement from the employer, school, or training facility verifying the days and hours the parent or caretaker meets a need factor. If a written statement is unavailable, the worker can verify this information by phone contact with the employer, school, or training facility. The worker must clearly document who he or she spoke with and what was verified in the Family Assistance/Client Services
(FACS) Case Notes.

4. (a) The amount of travel time approved varies depending on what is reasonable for the 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 Oklahoma Department of Human Services (OKDHS) 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 for fewer than 15 days per month or more than 23 days per month.

2. The worker approves a part-time daily unit type when care is needed for four hours or fewer 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 fewer other days. If the child is four years of age 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. Refer to OKDHS Appendix C-4-B, Child Care Provider Rate Schedule, 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 client needs child care more than four hours each day and at least 15 days and no more than 23 days per month. 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 is fewer than 15 days per month or more than 23 days per month; or

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

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

(5) The worker approves a blended unit type for children four years of age 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.

(i) This unit type pays the blended rate from August 16th through May 15th of each year.

(ii) 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.

(iii) 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.

(iv) If a weekly unit type is not appropriate for the summer because the child does not require full-time care at least 15 days and no more
than 23 days per month, 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 Subsidy Section staff.

5. 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 another adult is 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. If the client does not want a spouse to care for the child, OAC 340:40-7-8(e) contains information on preventive or protective child care.

6. (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 all parents are charged for the hours subsidy payment is requested. The worker approves the appropriate unit type based on the parent’s schedule and the number of subsidy hours needed.

(b) 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 benefits from the tribe.

   (1) The client cannot receive benefits from the tribe and OKDHS for the same service.

   (2) When the client needs child care for different services, it is acceptable for the tribe to cover the cost of one service while OKDHS pays for the other service. An example of this would be when the client works and goes to school. If the tribe pays the cost of child care while the client works, the client could be approved for benefits through OKDHS for the hours he or she attends school.

   (3) If the client chooses to receive OKDHS subsidized child care, the same rules governing other clients apply to this client as well.

   (4) The child care provider may not file a claim with both OKDHS and the tribe for the same service.

7. The worker may talk to the client about how to get a raise in pay at work, 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 veterans benefits. The worker refers the client to other agencies for help when appropriate.
Possible referral sources include:

(1) the Oklahoma Employment Security Commission;

(2) a Workforce Investment Act (WIA) contracted entity;

(3) Workforce Oklahoma Centers;

(4) the local technology center;

(5) a community college;

(6) the Social Security Administration; or

(7) the Department of Veterans Affairs.

8. 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 and client discuss possible alternatives. These may include relatives, friends, or neighbors or the client may explore other alternatives with his or her employer.

9. If the client chooses to use a provider that he or she is related to, the worker must check the "relative indicator" field on the Auth. Daycare tab in FACS.

10. Refer to 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, OKDHS Pub. No. 98-09, "Your Child Care Resource for Services and Information";

   (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 and higher star child care centers and all child care homes that meet the client's search criteria. If there are no one plus and higher star centers in the community, the list includes the one star centers;

   (3) how to request case summaries of potential providers from the Oklahoma Child Care Services (OCCS) 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 and higher star centers in the community or the exception criteria described at OAC 340:40-5-1(7)(C)(viii) 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 provider certification for different star levels.

(A) To be certified as a one star plus program, the provider must meet additional quality criteria that include: 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; and

(5) giving the client all or some of the pamphlets OCCS Licensing produces to help clients choose quality care. They are:

(A) OKDHS Pub. No. 01-18, "Reaching for the Stars";

(B) OKDHS Pub. No. 98-09, "Your Child Care Resource for Services and Information";

(C) OKDHS Pub. No. 87-91, "The Parent's Guide to Selecting Quality Child Care"; and

(D) OKDHS Pub. No. 02-06, "Paying for Child Care Just Got Easier."

11. In rare instances, such as the special health needs of a child, an exception may be granted. Approval is obtained from the FSSD Child Care Subsidy Section. The worker sends an e-mail to 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. If approved, the FSSD Child Care Subsidy Section documents the approval in FACS case notes and sends an approval letter to the provider.

12. (a) 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.

(b) A child care provider cannot be approved to provide child care in order to home school someone else’s child.

(c) 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.

(d) School age is defined as a child enrolled in the first through 12th grade.

(e) Exception: a provider may 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 may 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.

13. The school break may be due to the parent’s or child’s school schedule.

14. (a) Exceptions may 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 and higher 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 plus and higher 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.

(1) If there are no one plus and higher star centers in the community, the list includes one star centers and an exception is not required.

(2) The worker uses the Child Care Locator, available on the InfoNet under OKDHS Tools, to generate this list.

(3) 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 these locations or why they did not meet the client's needs.

(4) 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 FACS Case Notes if an exception was granted and why.

(5) Exceptions may be granted when none of the providers on the client's list:

(A) have 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;

(B) are 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

(C) are 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 may be approved at that facility.

15.(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 Child Care 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 Child Care tab. The family share co-payment is never prorated.
(b) Children who are exempted from co-pay or have no income considered for the child care benefit and those who are not exempted must be authorized for child care in separate case records because the system does not calculate the co-payment correctly when care is authorized in the same case record. The worker must document in FACS Case Notes why two case records must be established and what income is being considered or excluded in each case. The family may choose to include all children on one case if this results in a reduced family share co-payment. Examples of situations when separate cases may be required are described in paragraphs (1) through (4).

(1) When a family requests child care for a child who receives Supplemental Security Income (SSI) and is predetermined eligible with a zero co-payment as defined at OAC 340:40-7-1 and for another child who is not exempt from co-payment, two separate cases are created so household income is not considered for the child receiving SSI.

(2) When a family requests child care for a child receiving Temporary Assistance for Needy Families (TANF) and for a sibling who is not receiving TANF, the child receiving TANF is approved in one case with a zero co-payment and household income is considered in the other case for the sibling.

(3) When an adoptive parent requests child care for a child who meets all five conditions described in OAC 340:40-7-12(6) and is eligible for a zero co-payment and for the child's sibling who does not meet these conditions, two case records must be established.

(4) When a client applies for child care benefits for a child for whom the client is not legally and financially responsible, the income of the client is not considered and the child has a zero co-payment. When there are also children in the household that the client is legally and financially responsible for that require child care, their benefits must be authorized on a separate case as income is considered.

(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-B, Child Care Provider Rate Schedule, to determine the daily rate for each child based on that child's service plan. The worker adds 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 Child Care 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. Refer to OAC 340:40-9-2(b) and Instructions to Staff (ITS) # 4 for information about adding children and OAC 340:40-9-2(c) and ITS # 5(a)(2) for 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) Refer to OAC 340:40-7-11(c)(5) for information on court-ordered child care payments and third party payments made directly to the child care provider.
(h) Refer to OAC 340:40-9-2(e) for information regarding calculation of the family share co-payment when the client changes child care providers.

16. Each human services center (HSC) has a list of community resources that may be given to a client to meet social services needs. The worker ensures 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 08MP013E, Information/Referral – Social Services. If the worker is uncertain how to handle questions or other social service needs mentioned by a client, the worker seeks help from his or her supervisor, or HSC staff.

17. The applicant may request a fair hearing because of actions taken on a child care request as well as a child care application.

18. 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 participate fully in the quality content of the child care program, or to reduce transportation costs for the provider. Based on the client's work or school schedule, if 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 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 may charge the client for those additional hours.

19. 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. Refer to OKDHS Appendix C-4-B for information about weekly unit types and absent day payments and OAC 340:40-10 for EBT information.

20. Refer to OAC 340:40-13-5(g) for a list of provider contract violations.
340:40-7-1. Categories of eligibility

Revised 12-1-09

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, or Refugee Resettlement Program (RRP) cash assistance. ■ 1

(A) All TANF recipients who 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 when:

(i) 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) 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/Co-payment Chart, 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 the:

(A) employer provides child care benefits; or
(B) 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) Dual eligibility. A person 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 for the same service from both programs simultaneously. ■ 7

INSTRUCTIONS TO STAFF 340:40-7-1

Revised 6-1-11

1. (a) Supplemental Security Income (SSI) is a means tested program administered by the Social Security Administration.

(b) If a child is not receiving at least one dollar of SSI, he or she is not considered predetermined eligible with a zero co-payment.

(c) When the child is predetermined eligible, he or she meets income eligibility requirements. The child must also meet all other conditions of eligibility defined in this Subchapter before subsidized child care is approved.

(d) Refer to OAC 340:10-22-1 for Supported Permanency Program information, OAC 340:15 for State Supplemental Payment information, and OAC 340:60 for Refugee Resettlement Program information.

(e) Enter information regarding eligibility in the Family Assistance/Client Services (FACS) Interview Notebook under the Household and Income tabs.

(f) A child continues to be considered a Temporary Assistance for Needy Families (TANF) recipient and predetermined eligible with a zero co-payment when the parent or caretaker is participating in the Subsidized Employment Program (SEP). Once the SEP participation period ends and the TANF benefit closes, the participant’s earnings are considered income, and family share co-payments are computed per OKDHS Appendix C-4, Child Care Eligibility/Co-payment Chart.

2. (a) The worker informs the client of the right to choose child care either as a TANF deduction or as a child care benefit.

   (1) 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 out-of-pocket for one month for the child care expense.

(2) 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.

(b) 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 child, overpayment procedures in OAC 340:40-15 are followed.

3. If someone other than the parent or guardian is receiving the TANF benefit for the child or 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. (a) For example, household income can be $2,425 if the client is approved for two children in care. Household income for one child in care is $1,950. If the client has one child receiving SSI and one child who is not and the household income is $2,400, 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 not be eligible for the other child. If this situation occurs and the family has more than one child receiving SSI, all children must be included on the same case. The family cannot choose to put one of the children on the case with the co-payment and the others on their own cases with zero co-payments.

(b) When two cases must be set up:

(1) the predetermined eligible child is shown as added to "social services" in the "benefit" field F24 and "added to benefit section" in the "status" field F25 in the Household tab of the FACS Interview Notebook of the predetermined eligible case. Other household members or income is not shown on this case unless needed for another program. If it is needed for another program, the additional income is diverted in the "total diverted income" field in the Child Care tab of the FACS Eligibility Notebook; and
(2) the income eligible child is shown as added to "social services" in the "benefit" field F24 and "added to benefit section" in the "status" field F25 in the Household tab of the FACS Interview Notebook of the income eligible case. All other household members' income is shown in the Income tab, including the SSI or Temporary Assistance for Needy Families (TANF) income, and these household members are added to "social services" in the "benefit" field F24 and "income/resources are considered in benefit computation – individual not included" in the "status" field F25 of the Household tab. Only the child approved for subsidized child care benefits in the income eligible case is shown in the "number of children in child care" field E52 of the Child Care tab of the FACS Eligibility Notebook.

5. Refer to Oklahoma Department of Human Services (OKDHS) Appendix C-4, Child Care Eligibility/Co-payment Chart, 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 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 them.

7. 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.
340:40-7-3.1. Child with disabilities

Revised 6-1-11

(a) **Child with disabilities.** A child with disabilities is defined as a child who receives Supplemental Security Income (SSI), SoonerStart early intervention services provided in accordance with an Individualized Family Service Plan (IFSP), or special education services provided in accordance with an Individualized Education Program (IEP) by the local school district. ■ 1 This definition also includes a child whose SSI payment stops because of financial reasons but who still meets the medical definition of disability as determined by the Social Security Administration (SSA). ■ 2 When a child with disabilities is 13 years of age or older, the client must provide a statement from a licensed health care professional verifying the child is physically or mentally incapable of self care as age appropriate before care is approved and annually at review. If the licensed health care professional states that the child is capable of self care as age appropriate, subsidized child care benefits are not approved.

(b) **Special needs rate approval process.** The special needs rate, if approved, is paid in addition to the daily rate paid for a typical child. If a child does not meet the definition of a child with disabilities, the child is not eligible for a special needs rate. A child with disabilities may be approved for a moderate or severe special needs rate unit type after the special needs rate approval process is completed. If the worker determines that the parent or caretaker is eligible for subsidized child care benefits before the special needs rate approval process is completed, the worker approves the child for a typical child unit type. The process includes:

1. the parent or caretaker must provide proof that the child meets the definition of a child with disabilities and information about the child's care needs.

   (A) For a child under three years of age, the parent or caretaker submits the child's current IFSP that verifies the child receives SoonerStart services and documents the care needs of the child.

   (B) For a child over three years of age, the parent or caretaker submits the child's current IEP that documents the child receives special education services and documents the care needs of the child.

   (C) If the child receives SSI, the parent or caretaker submits the child's award letter or other proof from SSA that verifies receipt of this income. If the child is not receiving SoonerStart or special education services, the parent or caretaker submits a statement from a health professional describing the child's care needs.
(2) The parent or guardian, the child care provider, Oklahoma Child Care Services (OCCS) licensing staff, and the Family Support Services Division (FSSD) Child Care Subsidy staff or Child Welfare (CW) worker completes the appropriate sections of Form 08AD006E, Special Needs Child Care Rate Certification. 

Determination of whether certification requirements are met by the:

(A) child are made by the FSSD Child Care Subsidy staff or CW worker; and

(B) provider are made by the OCCS licensing specialist.

(3) The FSSD Child Care Subsidy staff follows the instructions on Form 08AD007E, Special Needs Rate Determination Scoring Sheet, to score the 08AD006E. The child's care needs must be within the scoring range shown on Form 08AD007E for moderate or high need to qualify for a special needs rate.

(4) When the child and the provider meet certification requirements for the special needs rate, the rate is effective the first of the month following the month OCCS licensing staff signs Form 08AD006E. If the child does not start child care until after the special needs rate is approved, the rate is effective the first date care is approved.

(5) Once Form 08AD006E has been completed and the FSSD Child Care Subsidy staff or CW worker determines the child is eligible for one of the special need rates, a new Form 08AD006E is only completed when:

(A) the needs of the child change;

(B) the child moves to a different child care facility;

(C) the child stops attending the facility that was approved for the special needs rate unit type for more than six months;

(D) the provider fails to obtain a on-site consultation within the parameters of the corrective action agreed upon with licensing staff; or

(E) it is determined by OCCS licensing staff that the provider no longer meets the child’s need.

(c) Supplemental Security Income-Disabled Children's Program (SSI-DCP). A child between birth to 18 years of age who receives SSI may be eligible for additional services described at OAC 340:70-8-1 and enrichment child care described at OAC 340:40-7-8(f).
INSTRUCTIONS TO STAFF 340:40-7-3.1

Revised 6-1-11

1. (a) The client must provide proof the child is receiving services based on special needs criteria from at least one of these sources before the child is considered a child with disabilities. The worker sends a copy to the Family Support Services Division (FSSD) Child Care Subsidy Section or images the proof provided by the parent and enters a case note in the Family Assistance/Client Services (FACS) system.

(b) A child must receive Supplemental Security Income (SSI) to be predetermined eligible for subsidized child care benefits with a zero family share co-payment if he or she meets all conditions of eligibility, other than financial, for child care.

2. The client must provide proof from the Social Security Administration (SSA) that the child meets the medical definition of disability and the SSI is closed because of financial reasons.

3. The special needs approval process may be initiated by the child's Family Support Services (FSS) worker, Child Welfare (CW) worker, FSSD Child Care Subsidy Section staff, the Oklahoma Child Care Services (OCCS) licensing specialist, or the child care provider by giving Form 08AD006E, Certification for Special Needs Child Care Rate, to either the client or the child care provider. The client, the provider, and Oklahoma Department of Human Services (OKDHS) staff follow instructions on Form 08AD006E to complete the process.

4. The CW worker or FSSD Child Care Subsidy staff compares the parent or caretaker's answers on Form 08AD006E to the Individualized Education Program (IEP), Individualized Family Service Plan (IFSP), or health professional's statement describing the care needs of the child for consistency. If information is inconsistent and:

   (1) the CW worker is making this comparison, the CW worker further consults with the parent or caretaker and the professional who signed the document for further clarification.

   (2) FSSD Child Care Subsidy staff is making the comparison, he or she contacts the parent or caretaker and the professional who signed the
document for further clarification. FSSD Child Care Subsidy staff enters the information gathered in FACS case notes and sends an e-mail or phones the FSS worker to advise him or her of approval or denial.

5. Per OAC 340:110-1-9.1, OCCS licensing staff monitors the facility's ability to meet the child's needs each time a visit is made to that facility.

6. Before scoring Form 08AD006E, the CW worker or FSSD Child Care Subsidy Section staff ensure that any inconsistencies on the form have been resolved or the parent or caretaker's answers have been adjusted.

   (1) Form 08AD006E is sent to the parent or caretaker, the provider, the FSS worker, and OCCS licensing staff for their records, whether or not certification requirements are met.

   (2) When certification requirements are not met and the parent or caretaker still wishes to use the facility, the child remains eligible at the applicable daily, blended, or weekly unit type for that child's age.

7. (a) If a child care provider refuses to care for the child until the higher special needs rate is approved, the worker informs the provider that this is an Americans with Disabilities Act (ADA) violation. If the provider continues to refuse, the worker completes Form 14CR001E, Discrimination Complaint Form - Client or Vendor, and sends it to the OKDHS Office for Civil Rights.

   (b) When the child starts child care before the special needs rate is approved, the FSS or CW worker initially authorizes care using a typical unit type for that child.

   (c) If the higher rate is approved, FSSD Child Care Subsidy staff changes the coding on the authorization for FSS cases and enters documentation in FACS case notes. CW staff enters the special needs unit type on the authorization on the KIDS system if the higher rate is approved.

8. Once the OCCS licensing specialist advises FSSD Child Care Subsidy staff that the provider failed to meet requirements or no longer meets the child's needs, FSSD Child Care Subsidy staff change the coding to the typical unit type on the authorization for FSS cases and enter documentation in FACS case notes. FSSD Child Care Subsidy staff notifies the KIDS Help Desk to change the authorization for a CW case.
340:40-7-6. Household composition and income consideration

Revised 6-1-11

(a) **Definition of household composition terms.** The worker determines household composition for income considerations using the definition of terms listed in (1) through (9) of this subsection.

1. An adult is an emancipated minor or person 18 years of age or older. A child who is also a parent is considered an adult.

2. A spouse is a person married by ceremony or common-law to another person. They can be living together or separately. If they are living separately, they are considered part of the household if the separation is temporary with no intention of severing the marital relationship or the separation is involuntary.

3. A stepparent is a person who is a spouse or has been a spouse to the child's parent.

4. A caretaker is an adult that the child is living with who is acting in the role of a parent. This person may or may not be related to the child by blood, adoption, or marriage and may or may not be legally and financially responsible for the child. The caretaker must pursue child support from the natural or adoptive parent per OAC 340:40-7-9.

5. An adult non-relative is defined as any person over 18 years of age or an emancipated minor who is not related to the parent or caretaker by blood, adoption, or marriage.  

6. The term legally and financially responsible adult is defined as a parent or stepparent of the child who needs child care. The term also includes other caretaker adults who are court-ordered to be legally and financially responsible for the child.

7. A child is any unmarried, unemancipated, non-parental person under 18 years of age.

8. A child who has married or voluntarily left the parental home for any reason and established independent living arrangements, other than being away from home for school or health reasons, is considered emancipated and treated as an adult. Once a child is emancipated, the emancipation is permanent.
(9) A sibling is a minor child who has at least one parent in common with another child in the same household. This definition of a sibling also includes a step-brother or step-sister.

(b) **Household composition and income consideration.** To establish a child's eligibility for subsidized child care benefits, it is necessary to define who must be considered part of household composition for income consideration. All persons whose income is counted in determining the family share co-payment are included to determine whether to use a family size of five members or less or for six or more members on OKDHS Appendix C-4, Child Care Eligibility/Co-payment Chart. Persons whose income must be considered in determining eligibility are:

1. the natural, adoptive, or stepparent of the child living in the home who needs child care;
2. the caretaker(s) of the minor child needing child care if that caretaker is legally and financially responsible for the child;
3. the child needing child care and his or her siblings under 18 years of age living in the home;
4. any adult non-relative opposite sex individual (ANROSI) who is living in the home with the natural or adoptive parent provided, however, the income of the non-relative adult of the opposite sex may be excluded if the parent and the adult non-relative have separate living quarters and demonstrate no characteristics of a couple; and
5. any child of the ANROSI who is living in the home with the natural or adoptive parent.

(c) **Periods of absence.**

1. When a household member is out of the home due to a temporary absence, he or she is considered a household member as long as he or she plans to return to the home. Examples of temporary absence include:
   - hospitalization for physical or mental health reasons;
   - incarceration;
   - attending school;
(D) military service; ■ 10

(E) working or training away from home; ■ 11

(F) looking for a job away from home. Refer to OAC 340:40-7-8(a)(6); ■ 11 and

(G) vacation time for a child. ■ 12

(2) If a child lives with each parent for part of the month, refer to (d) in this Section.

(3) If a child lives with a parent for part of the month and a caretaker for the rest of the month, the child's eligibility is based on the parent meeting the eligibility factors per OAC 340:40-7. The caretaker must also meet a need factor per OAC 340:40-7-7 during the time he or she has physical custody of the child. ■ 13

(d) Joint or shared custody. When parents separate or divorce and share custody of their child, either voluntarily or through a court order, the worker considers each parent's eligibility separately as well as his or her income. If only one parent qualifies for subsidized child care benefits, only the days and hours of care needed while that parent has physical custody of the child are approved. If both parents qualify for subsidized child care benefits, each parent is approved only for the days and hours that parent has physical custody and meets a need factor. ■ 14

INSTRUCTIONS TO STAFF 340:40-7-6

Revised 6-1-11

1. (a) For the purpose of this definition, an "adult non-relative" means a person of the opposite sex who is acting in the role of a spouse.

   (1) The opposite sex individual is acting in the role of a spouse when one or both of these factors exist:

       (A) they represent themselves to be a couple; or

       (B) have a physical relationship with each other.

   (2) When the client states the conditions in (a)(1)(A) and (B) do not exist, factors that may indicate the opposite sex individual is acting in the role of a spouse include when he or she:

       (A) assists in parenting the child, such as exercising responsibility for
the child(ren), providing day-to-day care, physical care, and guidance for the children;

(B) provides financial support for the family beyond his or her own pro rata share of the household expenses;

(C) shares joint bank accounts or property ownership with the client; or

(D) files a joint tax return with the client.

(b) The client's statement regarding the relationship with the opposite sex individual is accepted unless considered questionable. When the worker requests verification of the relationship, he or she must document why the client's statement is questionable in FACS Case Notes. The reason must be based on one of the factors described in (a) of this Instruction.

2. (a) Refer to OAC 340:40-7-10 through 340:40-7-13 for information on considering income for persons who must be included in the household.

(b) If a child is living with a parent for part of each month and with a caretaker for the remainder of the month, only one case is established for the child. Refer to (c) of this Section and Instructions to Staff (ITS) # 7.

(c) In the Household tab in Family Assistance/Client Services (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 children 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.

(d) When the household consists of the client's own child and another child such as a niece, nephew, or grandchild the adult is not legally and financially responsible for, the worker first determines which children require child care assistance.

(1) When child care is needed for both the client's child and any other child, the worker establishes two separate cases unless combining the households results in a lower family share co-payment. When it is better for the household to establish two separate cases, the worker considers the client's income and his or her own child's income in the case for the client's child and only considers the income of any other child in the case.
set up for him or her.

(2) When child care is needed only for the client's own child, the worker counts the income of the parent and his or her own child. The worker does not count the income of the other child unless including that child in household size and his or her income reduces the family share co-payment for the household.

(3) When child care is only needed for another child that the adult is not legally and financially responsible for, the worker only counts the income of that child and any siblings not requiring subsidized child care benefits. Household size includes these children only.

(e) When an adoptive parent requests child care for a child who meets all five of the conditions described in OAC 340:40-7-12(6) and for other children who do not meet these conditions, two separate cases must be established in order for the system to calculate the family share co-payment correctly. The worker must document why two case records must be established and why income is considered or excluded in each case in FACS Case Notes. The family may choose to include all children on one case if it reduces the family share co-payment.

(f) Household composition is handled differently for other programs. Refer to OAC 340:50-5-1 for food benefits, OAC 340:10-3-56 through 340:10-3-57 for Temporary Assistance for Needy Families (TANF), and 317:35-5 through 317:35-7 for medical assistance.

3. (a) When the parent is a minor parent, the minor parent's income must be considered in determining the family share co-payment. If the minor parent lives with his or her parent, neither the grandparent's income nor his or her need factor is considered for the grandchild.

(b) The adoptive parent's income is not considered until the adoption is final. When the adoption is final and the natural parent whose rights were terminated and the adoptive parent live in the same household, consider only the income and need factor of the adoptive parent.

(1) Household income is not considered in determining the adoptive child's eligibility for subsidized child care when all five conditions described in OAC 340:40-7-12(6) are met.
(2) The worker must document why the income is being excluded in FACS Case Notes.

(3) When the household requests child care for a child who meets all five conditions described in OAC 340:40-7-12(6) and one who does not meet these conditions, the worker establishes separate cases.

(c) If the child's natural or adoptive parent is not in the home but the child continues to live with a stepparent, the stepparent's income is considered in determining the child's eligibility. This applies even if the stepparent is divorced from the child's natural or adoptive parent.

4. A court order must state that the caretaker is legally and financially responsible for the child before the caretaker's income is considered. If the child's own parent lives in the home with the child, count that parent's income instead of the caretaker's income.

5. (a) A child's income must be considered unless specifically excluded per OAC 340:40-7-12.

(b) If child care is needed and one sibling is predetermined eligible for child care with a zero co-payment, two separate cases are established. This may happen when one child is disabled and receives Supplemental Security Income (SSI) or when there is a stepparent in the home and the client's child receives TANF but the stepparent's child does not. The family may choose to include all children on one case if this results in a reduced family share co-payment. When two separate cases are established:

(1) the predetermined child is shown as added to "social services" in the "benefit" field F24 and "added to benefit section" in the "status" field F25 in the Household tab of the FACS Interview Notebook of the predetermined eligible case. Other household members' income is not shown on this case unless needed for another program. If needed for another program, the additional income is diverted in the "total diverted income" field in the Child Care tab of the FACS Eligibility Notebook; and

(2) the income eligible child is shown as added to "social services" in the "benefit" field F24 and "added to benefit section" in the "status" field F25 in the Household tab of the FACS Interview Notebook of the income eligible case. All other household members' income is shown in the Income tab, including the SSI or TANF income, and these household members are
added to "social services" in the "benefit" field F24 and "income/resources are considered in benefit computation – individual not included" in the "status" field F25 of the Household tab. Only the child approved for subsidized child care benefits in the income eligible case is shown in the "number of children in child care" field E52 of the Child Care tab of the FACS Eligibility Notebook.

6. (a) For the purpose of this rule, "living in the home with" means that a person of the opposite sex is acting in the role of a spouse.

   (1) The opposite sex individual is acting in the role of a spouse when one or both of these factors exist:

   (A) they represent themselves to be a couple; or

   (B) have a physical relationship with each other.

   (2) When the client states the conditions in (a)(1)(A) and (B) do not exist, factors that may indicate the opposite sex individual is acting in the role of a spouse include when he or she:

   (A) assists in parenting the child, such as exercising responsibility for the child(ren), providing day-to-day care, physical care, and guidance for the children;

   (B) provides financial support for the family beyond his or her own pro rata share of the household expenses;

   (C) shares joint bank accounts or property ownership with the client; or

   (D) files a joint tax return with the client.

(b) The client's statement regarding the relationship with the opposite sex individual is accepted unless considered questionable. When the worker requests verification of the relationship, he or she must document why the client's statement is questionable in FACS Case Notes. The reason must be based on one of the factors described in ITS #1(a). An adult non-relative opposite sex individual (ANROSI) does not have to meet a need factor. An ANROSI is not required to be an alternative caregiver if he or she does not meet a need factor. Refer to OAC 340:40-5-1(4) for information on who must be an alternative caregiver.
7. (a) If the child's parent meets the definition of "acting in the role of a spouse" in ITS # 1(a), the child must be considered a household member and the child's income must be considered. All persons whose income is counted in determining the family share co-payment are included to determine whether to use a family size of five members or less, or for six or more members on OKDHS Appendix C-4, Child Care Eligibility/Rates Schedule.

(b) When a male and female live together and each have their own child living in the household needing subsidized child care benefits, one case record is established for the household. The worker uses the single parent need factor policy for each per OAC 340:40-7-7(b).

(c) Child support is not required to be pursued on any child of an ANROSI living in the home per OAC 340:40-7-9(a).

8. (a) There is no set length of time established to determine if a household member's absence is temporary. The key is whether the rest of the household considers the absence to be temporary.

(b) If a parent is temporarily absent, child support forms are not completed. Instead, that parent must meet a need factor per OAC 340:40-7-7 and 340:40-7-8.

(c) If the household states a parent is not temporarily absent, child support is pursued from that parent per OAC 340:40-7-9.

(d) If a child is left with a caretaker due to the absence of a parent, the benefits remain on the parent’s case as long as the caretaker provides a statement from the parent giving the caretaker authorized representative rights. Refer to OAC 340:40-3-1. If the caretaker cannot provide this statement, he or she applies on his or her own case and child support forms are completed.

9. When a parent is absent due to incarceration, the other parent or caretaker must provide verification of such incarceration. Verification may be obtained through the Department of Corrections or from the jail or prison where the parent is serving their sentence. If verification is not provided, the parent or caretaker must fill out child support paperwork on the absent parent. If the child is with a caretaker, refer to ITS # 7.

10. When a parent is absent due to military service, use his or her total gross income, not just the dependent allowance, to calculate the family share income.
co-payment. This applies to single parents who give temporary custody of their child to a caretaker while they are away from home and to two-parent households where only one of the parents is temporarily away from home.

11. When one or both parents are working or looking for work out-of-town, his and/or her income is considered in determining the household’s eligibility. He or she must also meet a need factor described in OAC 340:40-7-7 in order for child care to be approved. If one parent or caretaker works part-time out-of-town and the other parent or caretaker works full-time, child care is approved on a part-time basis.

12. When a child goes to stay with someone other than a natural or adoptive parent for a vacation, household composition, income, and need is based on the usual home situation. The person the child is staying with must also meet the need factor for child care. When the child is staying with a non-custodial natural or adoptive parent, that parent must apply for subsidized child care benefits for that time frame based on his or her own household’s eligibility.

13. When a child lives with one or both of his or her parents for part of the month and with a caretaker for the rest of the month, the child is considered temporarily absent from the parent while he or she lives with the caretaker. One case is established for the parent and the caretaker is shown as the authorized representative for the subsidized child care benefits on the parent’s case. The worker may approve different child care plan hours for the time the child lives with the parent than when he or she lives with the caretaker if their work or school schedules are different.

14. When both parents qualify for subsidized child care benefits, establish two separate cases. Each parent must meet the need factor while that parent has physical custody of the child. The maximum amount of child care approved in both cases combined is never more than 31 days per month. Neither case qualifies for the weekly or blended unit types. Refer to OAC 340:40-7-7 and 340:40-7-8 for information concerning the need factor for child care.
340:40-7-8. Defining the need factor for child care benefits

Revised 6-1-11

(a) **Employment.** Employment means the parent or the caretaker earns wages for work performed. ■ 1

(1) The client must provide proof of his or her work hours. If the client has the flexibility to set his or her own work hours, the client and worker jointly determine if they can reduce the number of hours the child needs care by rearranging the client's work schedule. This is especially important in two-parent or two-caretaker families. ■ 2

(2) The worker limits approval of child care to the number of days and hours the client is working plus reasonable travel time. In two-parent or two-caretaker working families, the worker limits approval to the days and hours they are both working at the same time plus reasonable travel time. When the child attends school or Head Start during part of the work hours, the worker reduces the number of hours he or she approves child care accordingly.

(3) When the caretaker who is legally and financially responsible for the child or the parent is not making at least minimum wage for the number of hours he or she is working, the worker may limit the number of days and hours of care initially approved with one exception. The exception to a parent not meeting the minimum wage rule is when care is approved for an adopted child who meets criteria at OAC 340:40-7-12(6). When the minimum wage rule applies, the worker counsels with the person regarding increasing his or her income. If counseling is unsuccessful, the worker decides whether to further reduce or terminate the subsidized child care benefits. ■ 3

(4) A person employed and working from his or her own home may be approved for subsidized child care benefits in an out-of-home child care home or center. ■ 4

(5) Subsidized child care benefits can be approved for sleep time during the day when a parent or caretaker works night hours and a feasible alternative is used at no cost to the Oklahoma Department of Human Services (OKDHS) during the night working hours. Night working hours are defined as the hours between 11:00 p.m. and 7:00 a.m. ■ 5

   (A) The maximum amount of time the worker approves child care allows the client eight hours of sleep plus travel time to and from the child care provider.
(B) In two-parent or two-caretaker families care may only be approved for this reason when both parents have night time jobs or when one parent has a night time job and the other parent or caretaker works during the day while the other parent is sleeping.

(6) Job search meets the definition of employment and child care may be approved for a single or two parent or caretaker household only when a recipient who has received subsidized child care benefits for at least 30 calendar days loses employment or successfully completes a formal education or training program and requests child care to look for a job. ■ 6

(A) Child care may be approved for a maximum of 30 calendar days from the date the client loses employment or successfully completes a formal education or training program as long as the child continues to attend the same child care facility.

(i) Job search may be approved no more than twice per calendar year.

(ii) The client must have been employed or going to school for at least 90 calendar days between approval periods.

(B) When the recipient reports a new job within the job search period and provides all required verification to prove continued eligibility, a new application is not needed. When the recipient does not report a new job or required verification within the job search period, he or she must complete a new application before being approved for further child care. ■ 7

(b) Training. A training program is defined as a course of study that when completed qualifies a person to meet requirements for a job that the client could not have obtained without the certificate of completion, accreditation, or licensure. ■ 8 Child care can be approved for one parent or caretaker to attend a training program. In two-parent or two-caretaker families, the other parent or caretaker must be employed during the same hours.

(1) The training program must qualify to receive federal financial aid from the United States Department of Education (USDE) or other federal or state education funds. ■ 9

(2) Prior to approval for child care, the client must provide proof of enrollment, the days and hours the client will be attending, and when he or she is expected to complete the program. ■ 10
(3) The program must require classroom attendance on a school campus with an instructor present. Care is only approved for an on-line Internet based course or televised course if it is a live broadcast conducted by an instructor and attendance is required while the program is being broadcast. If the program is self-paced and can be completed whenever the client chooses, care is not approved. ■ 11

(4) The client must provide proof of progress when requested. If the client is not making satisfactory progress, further child care for this reason is not approved. ■ 12

(5) Once the client completes a training program, further child care is not approved for training or education. The client is expected to look for jobs that require his or her training credentials. The client may be eligible for subsidized child care benefits to job search if he or she meets requirements at (a)(6) of this Section.

(6) In certain circumstances, the worker may approve child care benefits for a client to attend a second training program. The client must have been employed in a job requiring the training credentials he or she has for at least 12 months. ■ 13

Possible circumstances include when:

(A) the client can no longer perform the job he or she is trained to do because of physical or mental health reasons. In this instance, the client must provide a statement from a doctor, mental health professional, or a vocational rehabilitation professional verifying the reason. The professional must also state that the client is capable of performing the job tasks of the training program where the client wants to enroll;

(B) there is no longer a demand for the type of work the person is trained to do. The client must provide a statement from a professional working with the client to obtain employment stating there is no demand. The professional must be employed by the Workforce Oklahoma Center, a Workforce Investment Act (WIA) contracted entity, the Oklahoma Employment Security Commission (OESC), or the Oklahoma Department of Rehabilitation Services (DRS); or

(C) the client can establish receipt of the additional training will increase the person's earning potential. The client must provide proof the starting salary for a person with the training credentials the client wants to obtain is higher than he or she is currently earning.

(c) Education program. An education program can include:

(1) High school. Child care may be approved for one or both parents or caretakers
to attend high school. It is not approved for a parent or caretaker to receive homebound instruction. Prior to approval the client must provide proof that he or she is enrolled, the days and hours the client is attending, and when he or she is expected to graduate.

(2) General Educational Development (GED), literacy, or adult basic education (ABE) classes. The program must require classroom attendance with an instructor present. Child care may be approved for one parent or caretaker to attend GED, literacy, or ABE classes. However, in two-parent or two-caretaker families, the other parent or caretaker must be employed during the same hours.

   (A) The client must provide proof of enrollment, the days and hours the client is attending, and the length of the class prior to care approval. If the class has open enrollment and no established end date, the client must provide proof of progress and how it is measured.

   (B) Within the first month of classes, the client must provide proof of initial testing showing the client's education and/or literacy level.

   (C) The worker reviews the client's progress when the class is expected to end prior to approval for further child care for this reason. If the class is open-ended, the worker reviews progress no later than 12 months from the date care was approved for this reason. At review, the client must provide a statement from the school that includes:

      (i) whether the client is attending regularly;

      (ii) whether the client is making satisfactory progress;

      (iii) an estimated length of time it will take to complete the program; and

      (iv) what days and hours the client is currently attending classes.

   (D) If the client has not been attending regularly or making satisfactory progress, further child care for this reason is not approved.

(3) English as a Second Language (ESL) classes. The program must require classroom attendance with an instructor present. Child care may be approved for a single parent or caretaker to attend ESL classes when the client lacks proficiency in understanding, speaking, reading, or writing the English language. In two-parent or two-caretaker families, the other parent or caretaker must be employed during the same hours.
(A) The client must provide proof of enrollment, the days and hours the client is attending, and the length of the class prior to care being approved. If the class has open enrollment and no established end date, the client must provide proof of how often progress is measured.

(B) The worker reviews the client's progress when the class is expected to end prior to approval for further care for this reason. If the class is open-ended, the worker reviews progress no later than 12 months from the date care was approved for this reason.  ■ 14  The client must provide a statement from the school that includes:

(i) whether the client is attending regularly;

(ii) whether the client is making satisfactory progress;

(iii) an estimated length of time it will take to complete the program; and

(iv) what days and hours the client is currently attending.

(C) If the client has not been attending regularly or making satisfactory progress, further care for this reason is not approved.

(4) Formal education program. A formal education program is defined as a course of study that leads to the attainment of an associate or bachelor’s degree. Child care can be approved for one parent or caretaker to attend a formal education program and to participate in activities required to maintain a scholarship. Only required scholarship activities for scholarships disbursed through the school's financial aid office qualify for child care. In two-parent or two-caretaker families, the other parent or caretaker must be employed during the same hours.

(A) The formal education program must qualify to receive federal financial aid from USDE or other federal or state education funds.  ■ 9

(B) Prior to approval for child care, the client must provide proof of enrollment, the days and hours the client is attending school or participating in activities required to maintain a scholarship, and when he or she is expected to complete the degree.  ■ 10

(C) The degree program must require classroom attendance on the school campus with an instructor present. Care is only approved for an on-line Internet based course or a televised course if it is a live broadcast conducted by an instructor and attendance is required while the program is being broadcast.  If
the program is self-paced and can be completed whenever the client chooses, care is not approved. ■ 11

(D) The client must provide proof of progress when requested. If the client is not making satisfactory progress, further care for this reason is not approved. ■ 12

(E) Once the client completes a bachelor's degree, further care is not approved for training or education. The client is expected to look for jobs that require a degree. The client may be eligible for subsidized child care benefits to job search if he or she meets requirements at (a)(6) of this Section.

(F) In certain circumstances, the worker may approve subsidized child care benefits for a client to obtain a different bachelor's degree. The client must first have been employed in a job that required the degree he or she already has for at least 12 months. ■ 13 Possible circumstances include when:

(i) the client can no longer perform the job he or she is trained to do because of physical or mental health reasons. In this instance, the client must provide a statement from a doctor, mental health professional, or a vocational rehabilitation professional that verifies the reason. The professional must also state that the client is capable of performing the job tasks of the degree program in which the client wants to enroll;

(ii) there is no longer a demand for the type of work the person is trained to do. The client must provide a statement from a professional working with the client to obtain employment stating there is no demand. The professional must be employed by the Workforce Oklahoma Center, a WIA contracted entity, OESC, or DRS; or

(iii) the client can establish receipt of the second degree may increase the person's earning potential. The client must provide proof that the starting salary for a person with the degree the client wants to obtain is higher than he or she is currently earning.

(d) Temporary Assistance for Needy Families (TANF) Work activity. When a client receives a TANF benefit, subsidized child care benefits may be provided for any activity outlined on the client's Form 08TW002E, TANF Work/Personal Responsibility Agreement, per OAC 340:10-2-1. ■ 15

(1) Need for child care is also met when the person is waiting to enter an approved TANF Work activity. Approval is limited to a time period not to exceed:
(A) two weeks; or

(B) one month on an exception basis where child care arrangements or other services would otherwise be lost and the subsequent activity is scheduled to begin within that period. ■ 16

(2) TANF applicants referred for immediate employment may be approved for subsidized child care benefits to job search. ■ 17 TANF applicants are advised:

(A) child care to job search is limited to 20 days that must be used within 30 calendar days from the date of request;

(B) in-home child care arrangements are not available for TANF applicants;

(C) child care may only be used during the times the applicant is actually looking for a job; and

(D) he or she must notify the worker immediately upon securing employment.

(e) **Protective or preventive child care.** Subsidized protective or preventive child care benefits may be used as an early intervention strategy in certain critical situations to help prevent neglect, abuse, or exploitation of a child. The worker may approve child care in these situations to help stabilize the family situation or enhance family functioning. In most instances, Child Welfare (CW) staff completes protective or preventive child care requests when they are working with the family and recommending protective or preventive child care. When CW staff contracts with an outside agency to provide protective or preventive services and child care is recommended, Family Support Services (FSS) staff completes the child care requests with help from contracted agency staff. ■ 18

(1) Subsidized protective or preventive child care benefits are temporary and planning to reduce or eliminate the need for such child care begins at the initial contact.

(2) The worker must complete a face-to-face interview with the client prior to approving subsidized protective or preventive child care benefits in order to better assess all of the service needs of the family.

(3) The client must provide a statement from a professional working with the family stating: ■ 19

(A) the reason child care is recommended;
(B) how placing the child in a child care facility helps to prevent neglect, abuse, or exploitation of the child; and

(C) the length of time this care is expected to be needed.

(4) The family may or may not be expected to help in paying the cost of these subsidized child care benefits depending on the unique circumstances of the family. ■ 20

(5) In certain circumstances, families who are financially ineligible for subsidized child care benefits may be approved for protective or preventive child care benefits when the child is in danger of neglect, abuse, or exploitation. The client must provide evidence the family is so burdened by debt that the additional financial pressure of paying for child care may result in further deterioration of family stability and functioning. The client must also provide a plan for reducing his or her debt. ■ 21

(6) The worker may approve subsidized protective or preventive child care benefits for a maximum of 30 calendar days. If determining ongoing eligibility will take time, the worker may approve child care while the parent or caretaker is gathering necessary information during this 30 calendar day period.

(7) If the family requests subsidized protective or preventive child care benefits beyond this initial 30 calendar day period, the worker sends a memo and supporting documentation to the Family Support Services Division (FSSD) Child Care Subsidy Section staff to request an extension. The client must provide all needed eligibility information prior to submission of the extension request. ■ 22

(f) **Enrichment.** The purpose of subsidized enrichment child care benefits is to assist a child receiving Supplemental Security Income (SSI) to develop socialization skills and to transition into a group setting such as a classroom. If a child is not receiving SSI benefits, the child is not eligible for subsidized enrichment child care benefits.

(1) The need for subsidized enrichment child care benefits is based solely on the needs of the child’s condition of delay or disability rather than on the activities of the parent or caretaker. ■ 23

(2) Child care for enrichment is limited to a maximum of two days per week not to exceed ten full-time or part-time days per month.

(3) The parent or caretaker must provide a written recommendation from a professional who is working directly with the child in some capacity that states how
child care would be beneficial to the child. The professional could be the child's doctor, occupational therapist, physical therapist, or special education teacher.

(4) Enrichment child care is only approved for a child who has not started school or Head Start unless, due to the child's disabilities, the child receives instruction from a teacher in his or her home. ■ 24

(5) When subsidized enrichment child care benefits are approved, care must be provided outside of the child's home and at least one other child must attend during the same hours.

(6) The worker obtains approval from staff in the FSSD Child Care Subsidy Section prior to authorizing care for this need factor. ■ 25

INSTRUCTIONS TO STAFF 340:40-7-8

Revised 6-1-11

1. (a) Some clients work at jobs where they are paid at least minimum wage, but the Oklahoma Department of Human Services (OKDHS) does not count the income because the income comes from exempt sources per OAC 340:40-7-12. The client still meets the employment need factor even though the income is not counted.

(b) Some clients work where they are not guaranteed any wage, such as working for commission only or self-employment. In these situations the worker does not approve more than 30 days of care until the client provides proof he or she has earned income from this employment.

(c) Bartering for services in exchange for work performed does not meet the definition of need because of employment. Examples of bartering include working in exchange for payment of rent, utilities, or a car payment.

(d) Gambling does not meet the definition of need because of self-employment.

2. (a) Proof may be a copy of the work schedule showing the client's name and the name of the business or a signed statement from the employer. A written statement is preferable, but if unavailable, the worker may confirm the client's work hours with the employer by telephone. The worker documents how work hours were verified in the Family Assistance/Client Services (FACS) Case Notes.
(b) If part of the client’s work duties involves staying overnight away from home or working split shifts, the worker uses his or her judgment to determine how much care is reasonable to approve.

(c) When the client starts working, the worker approves the maximum number of days and hours the client could work. For instance, an employer statement might say the client works three to five days per week. The worker initially approves 23 days per month of care. The worker reevaluates the amount of care approved when actual pay is requested at 90 days per OAC 340:40-7-13. Care may be reduced or increased depending on how many days and hours the client actually worked during that period.

(d) If the client has been employed for at least 30 calendar days, the worker evaluates the actual number of days and hours the client worked to determine how much care to approve, unless there is reason to expect the work schedule to change. The worker documents in the Child Care tab and FACS Case Notes how he or she determined the care plan approved.

(e) Clients who have the flexibility to set their own work hours are most often self-employed. When the client is self-employed, the worker may accept his or her statement regarding work hours as long as it appears reasonable and meets the minimum wage requirement per OAC 340:40-7-8(a)(3). If the children are attending school or Head Start, in most instances, it is usually reasonable to expect the client to work during those hours. If it is not reasonable, FACS Case Notes must clearly document why. When child care is requested in two-parent or two-caretaker families for self-employment, care must be taken to determine whether self-employment work hours could be adjusted to reduce or eliminate the need for child care. For instance, could they each work a different schedule?

3. (a) The worker uses his or her judgment to decide how many hours of care to initially approve after counseling with the client on how he or she plans to increase his or her income to at least minimum wage.

(b) Counseling may include:

(1) helping the client determine whether this is the best field of employment;

(2) referring the client to the Oklahoma Employment Security Commission (OESC) for help in locating other employment;
(3) helping the client develop an action plan to increase income from the enterprise;

(4) referring the client to a local resource that helps with small business planning. Most technology centers offer this type of service; or

(5) referring the client to the Oklahoma Department of Labor (ODOL) to file a complaint if his or her employer is not paying minimum wage.

(c) If the client has been employed in the same business for at least one year without any substantial changes and is not making at least minimum wage, child care is denied or closed. When substantial changes occur, including illness, change in business location, or unforeseen circumstances, the worker sends an e-mail to daycare@OKDHS.org for guidance.

(d) The worker and client decide jointly what strategy to use to increase the client's income and by what date this plan can be accomplished or progress made. If the client does not cooperate in making an action plan to increase income or in following through with the plan he or she agreed to try, child care for this employment enterprise may be reduced or terminated. The worker consults with his or her supervisor before taking such action.

(e) The worker clearly documents in FACS Case Notes how he or she initially determined the child care plan hours, what strategy the client agreed to follow to increase income during counseling, and why subsequent changes are made to the child care plan.

4. (a) When the client works from home, the worker must determine how flexible the client's work hours are and whether other options are available instead of subsidized child care benefits. Child care is not approved if the client is able to do the work while the child is in the home or the child is school age and the work can be done while the child is at school. The worker documents all details of the client's situation and what decision was made in FACS Case Notes.

(b) When the client is operating a child care home, the worker only approves child care in an out-of-home child care home or center if the client's own child places him or her over maximum licensed capacity.

(1) A family child care home provides care for seven or fewer children.
(2) Large family child care homes provide care for eight to 12 children.

(3) The provider's own children younger than five years of age count toward licensed capacity.

(4) The worker consults with Oklahoma Child Care Services (OCCS) licensing staff to establish whether a client, who is a child care provider, will be over capacity if his or her own child remains in the home and documents this discussion in FACS Case Notes. Refer to OAC 340:110-3-84 and 340:110-3-97.1 for licensing guidelines.

5. (a) Sleep time child care is approved for working families only. Care cannot be approved for two-parent or two-caretaker families in order for one parent to go to school during the day.

(b) The goal of this policy is to allow a parent or caretaker to get seven to eight hours of sleep. The maximum care is not approved when the client has the opportunity to sleep during some of the child's sleep hours. For example, when a parent or caretaker's schedule is from 10:00 p.m. to 4:00 a.m., eight hours of care is not approved since the parent or caretaker can sleep for three to four hours before the child wakes up.

6. (a) Job search is approved for recipients who have received a child care benefit for at least 30 calendar days in order to ensure that the services of the child care provider are not lost and continuity of care for the child is provided while the parent or caretaker attempts to locate a job. Care is only continued when the child remains at the same child care facility for the entire 30 calendar days job search is approved. If the client wishes to change child care providers, care by a different provider is not approved to job search.

(b) To approve a client to job search, the worker closes the current authorization using the reason code "30 day job search time frame has ended." The end date entered on the authorization is 30 calendar days from the time the client lost employment or successfully completed a formal education or training program.

(c) The worker makes changes as needed to the income shown for the family and to the family share co-payment prior to closing the authorization. No change is made to the days and hours of care.

(d) If the authorization is closed on another reason code prior to offering child
care to search for a job, it may be reopened to cover this 30 calendar day period. The authorization is then closed using the reason code "30 day job search time frame has ended."

(e) If the authorization is closed on another reason code prior to offering child care to search for a job, it may be reopened to cover this 30 calendar day period. The authorization is then closed using the reason code "30 day job search time frame has ended."

(f) When the client does not report the loss of employment or completion of a formal education or training program within ten calendar days but continues to use child care, the worker asks the client whether he or she is searching for a job.

(1) When the client is searching for a job, the worker closes the authorization effective the date job search would have ended if the client had notified the worker timely or effective ten calendar days from the date the worker takes action, whichever date is greater.

(2) When the client does not plan to job search, the worker closes the authorization effective ten calendar days from the date the worker takes action.

(3) If the client uses care beyond the time frame that the client could have been approved to job search, the worker sends an overpayment memo to the Family Support Services Division (FSSD) Benefit Integrity and Recovery Section per OAC 340:40-15-1.

7. (a) If the client begins an activity that meets a need factor during the time frame job search was approved, documentation must be provided and entered in case notes. The worker enters a new authorization in FACS with a begin date effective the day after the job search closure. If more care is required for the new activity during the time frame job search was approved, the worker contacts the FSSD Child Care Subsidy Section staff to change the authorization because the worker cannot make a change to a closed authorization.

(b) If the client begins an activity that meets a need factor within 30 calendar days after the job search period ended, documentation must be provided and entered in case notes. The worker enters a new authorization in FACS and the begin date is the date verification is provided.
8. (a) If the client receives Temporary Assistance for Needy Families (TANF) and the training is approved as a TANF Work activity per OAC 340:10-2-1, child care may be approved.

(b) If the client is participating in a TANF Special Project but is not receiving TANF benefits, the Special Project must meet the requirements for an approved training program. If the Special Project does not meet the requirements, it does not meet a need factor for child care assistance.

(c) Examples of questionable programs could be programs for nurse's aides, data entry clerks, or cashiers. If the worker questions whether a particular training program will make a person more employable, he or she may:

   (1) check with employers in the area that employ people with this skill to see if they require such a certificate, accreditation, or license. If they do not require one, but would pay more if the person had this credential, the worker approves child care for this training;

   (2) contact a Work Investment Act (WIA) counselor or an OESC employee to determine if a person must meet general training requirements prior to becoming employed in this field; or

   (3) require that the client provide documentation showing how this training program can help the client become more employable.

(d) On-the-job training and apprenticeship programs pay participants at least minimum wage for their work or training hours so care for this reason may be approved under the employment need factor.

9. If the client is not receiving financial aid and the school is not known by the worker to be eligible to disburse federal or state educational funds, the worker calls the school for confirmation.

10. (a) The worker verifies what days and hours the client attends school by obtaining a copy of the client's training or class schedule, documentation from the school showing the client's schedule, or by calling and verifying the schedule with school officials. Child care is limited to actual classroom attendance, including travel time.

    (b) Child care may also be approved for activities outside the classroom required to pass the course such as internship and practicum placements,
volunteer hours required to pass a specific class, or other required activities.

(c) Child care may be approved for activities outside the classroom required to maintain a scholarship such as athletic practice sessions, participation at sporting events, band practice, volunteer activities, or other required activities. The worker verifies the scholarship by obtaining a:

(1) copy of the report from the registrar showing the scholarship disbursement and hours enrolled or documentation from the school's financial aid office showing proof of the scholarship; and

(2) letter from the scholarship grantor explaining the activities, including days and times for participation required to maintain the scholarship.

(d) If the client is required to attend a lab in order to pass a specific class, an instructor must be present during the lab or child care is not approved for those hours. Hours spent by a student in a computer lab on an as needed basis to complete homework assignments are not approved even when a school official is present to help with technical difficulties regarding the equipment.

(e) When there are gaps in class times, the worker may approve child care beginning with the first class of the day through the last class of the day. Additional study time is never approved unless it is an approved TANF Work activity. Refer to OAC 340:40-7-8(d).

11. Child care may only be approved for televised courses if the client must view the training during the broadcast because class participation is required. If the client can view the video of the broadcast whenever it is convenient, care is not approved for those hours.

12. The worker sets a reminder to check on the client's school status if the client's care needs are expected to change or he or she is expected to graduate prior to an annual review. If the client states he or she is still attending school, the client must provide a statement from the school verifying that he or she is making satisfactory progress, the reason he or she has not finished the program, and a current class schedule.

13. The intent of the work requirement is for the client to gain work experience and to make use of the training he or she has already received. If special circumstances exist that make this requirement unreasonable, the worker may
send an e-mail to the Family Support Services Division (FSSD) Child Care Subsidy Section staff at daycare@okdhs.org requesting special approval. If the request is granted, the worker documents the special circumstances in FACS Case Notes.

14. The goal is for the client to complete the program as quickly as possible. Once the client has completed one session of classes, it is expected that the school can project how much longer classes are needed.

15. Child care is limited to the days and hours needed to complete the TANF Work activity plus travel time.

16. This provision helps ensure continuity of care with the same child care provider so a person can continue the employment process.

17. The worker approves subsidized child care benefits before expecting the applicant to begin job search. The worker assists the applicant in selecting a licensed, contracted facility. Upon selection of a facility, the authorization is entered into the system in the FACS Eligibility Notebook under the Auth. Daycare tab showing a reason, "for caretaker to search for employment," and a beginning and ending date for the authorization using fields K45 and K47. The ending date is no more than 30 calendar days from the date of request and is approved for a maximum of 20 full-time days. If the client requests a change of provider during this 30 calendar day period, the worker only approves child care for the number of days remaining in the 30 calendar day period.

18. (a) When the Child Welfare (CW) worker considers the family at risk for child abuse and neglect, but the family is not court involved, the CW worker contracts for Comprehensive Home-Based Services (CHBS) with the Oklahoma Children's Services (OCS). When CW is not maintaining an open CW case, the FSSD worker completes the application for subsidized protective or preventive child care benefits. The CHBS case manager assists the family in applying for subsidized child care benefits. If approved, families receiving CHBS services are approved with a zero family share co-payment. To verify the need for child care, the CHBS case manager provides a written statement to the FSSD worker indicating:

(1) the names and ages of the children for whom child care is needed;

(2) why child care is needed and how it can eliminate or reduce the risk to
the children;

(3) what days and hours child care is needed; and

(4) how long the child care is expected to be needed.

(b) If more than 30 calendar days of care is needed, the FSSD worker completes a short memo requesting that the protective or preventive child care benefits continue to be approved. The worker attaches this memo to the statement provided by the CHBS case manager and sends them to the FSSD Child Care Subsidy Section staff.

(c) In the FACS Eligibility Notebook under the Auth. Daycare tab, enter reason, "prevention of or protection from abuse, neglect, or exploitation," on the authorization.

19. The professional must be someone currently working with the family in a professional capacity to improve the family’s stability or functioning. Examples may include a doctor, counselor, therapist, CW specialist, SoonerStart worker, or CHBS case manager.

20. (a) The worker documents in the memo why he or she is requesting that a family’s normal family share co-payment be reduced or eliminated and how the family plans to increase its responsibility toward paying the family share co-payment in the future.

(b) Families for whom protective or preventive child care is requested by a CHBS case manager are approved with a zero co-payment.

(c) If the family is receiving other FSSD benefits and income is considered for those other benefits, the worker diverts the income in the Child Care tab of FACS, "total diverted income" field E47.

21. The worker might help the client develop a budget that decreases the debt or refer the client to Consumer Credit Counseling or another local resource for help. This plan is included in the memo.

22. (a) The worker sends a memo to FSSD Child Care Subsidy Section staff requesting an extension. The worker attaches to the memo any verification supporting the need for child care. For most protective or preventive extension requests, the memo must include:
(1) names and ages of all children for whom child care is needed;

(2) an explanation of the reason child care is needed, the circumstances leading to the conclusion the child is at risk of neglect, abuse, or exploitation, and how child care can eliminate or substantially reduce risk to the child;

(3) an explanation of whether a CW referral was made and, if not, the reason, as well as any coordination efforts between FSSD, CW staff, and any other community partners;

(4) the days and hours child care is requested for each child;

(5) an explanation of the support system available to the family;

(6) an explanation of the exploration of any free alternative to child care. Examples include the availability of other family members, Head Start, and Mother’s Day Out programs;

(7) the length of time child care is needed;

(8) an explanation of what, if any, family share co-payment the family is expected to contribute. If the family share co-payment is reduced or completely waived because of family expenses, an explanation of the plan to decrease the debt is included in the memo; and

(9) the worker’s opinion about the need for child care.

(b) FSSD Child Care Subsidy Section staff typically approves protective or preventive requests for no more than six months at a time. When an extension is requested beyond the original time frame approved by FSSD, the worker sends a new memo that includes more detail showing what efforts were made to reduce or eliminate the need for protective or preventive child care. Refer to OAC 340:40-9-1(d) for interview requirements.

(c) In the FACS Eligibility Notebook under the Auth. Daycare tab enter reason, "prevention of or protection from abuse, neglect, or exploitation," on the authorization.

23. Enrichment child care is not approved if the parent or caretaker meets another need factor.
24. The **client** must provide documentation from the school verifying the child is unable to attend class. The worker enters what was provided in case notes.

25. (a) The worker sends or faxes a memo and a copy of the written documentation provided by the client from a professional who is working directly with the child to the Family Support Services Division (FSSD) Child Care Subsidy Section staff for approval. The memo includes:

   (1) why enrichment child care is recommended for the child;

   (2) whether the child has available another way to become socialized such as participation in a play group with other children, special education services through the local school system, Early Head Start, or Head Start; and

   (3) the name of the child care facility the child plans to attend.

   (b) FSSD Child Care Subsidy Section staff reviews the memo and documentation and sends a memo or e-mail to the worker stating whether care is approved or denied. If approved, care is authorized for no more than six months at a time.

   (c) The worker enters the approval or denial in the FACS Eligibility Notebook, Auth. Daycare tab. The worker enters as the reason "enrichment, supervision, training, or to avoid institutionalization."

   (d) Refer to OAC 340:40-7-3.1 for information about the approval process for the higher special needs rate unit type.
340:40-7-9. Mandatory pursuit of child support and other potential income

Revised 6-1-11

(a) Mandatory referral to the Oklahoma Child Support Services (OCSS). When one or both of the child's parents are absent from the home, the client must agree to pursue child support through OCSS for all children who must be included in the same household per OAC 340:40-7-6 before subsidized child care benefits are approved.

1. (1) When an OCSS referral is required. The client is required to pursue child support for all children living in the home where one or both parents are absent, unless good cause exists as described at paragraph (2) or (6) of this subsection including when:

   (A) the parent or caretaker is not requesting subsidized child care benefits for every child living in the home;
   (B) the client is already receiving court-ordered child support;
   (C) there is a joint custody agreement and neither parent is ordered to pay support;
   (D) parental rights have been terminated except in the case of adoption per Section 7006-1.3 of Title 10 of the Oklahoma Statutes;
   (E) an additional child whose parent is absent is added to the household after certification;
   (F) one or both parents leave the home after certification.

2. (2) When an OCSS referral is not required. The client is not required to complete child support forms when:

   (A) he or she is a foster parent to the child and the OCSS referral was completed in the child's SoonerCare (Medicaid) case;
   (B) the client is an adoptive parent and provides proof of a single parent adoption;
   (C) a parent is temporarily out of the home per OAC 340:40-7-6(c) and is still considered part of the household.
(D) the child whose parent is absent is not required to be considered part of the household per OAC 340:40-7-6; ■ 8

(E) the client is a minor parent and is not living with his or her own parents. The minor parent must pursue child support for his or her own child but not for himself or herself; or

(F) the child is not receiving a subsidized child care benefit and is only included in household composition because his or her parent is considered an adult non-relative of the opposite sex individual (ANROSI) per OAC 340:40-7-6(b).

(3) Required forms. The worker makes the referral to OCSS by completing with the client Form 08TA001E, Absent Parent (AP) Information Sheet, for each absent parent. ■ 9 The client must sign Form 08TA012E, Cooperation Agreement and Request for Good Cause, as described at paragraph (6) of this subsection. The worker gives the Oklahoma Department of Human Services (OKDHS) Appendix C-16, Child Support Services and Responsibilities, to the client. The form explains OCSS services and client expectations. Supplemental information sent to the appropriate OCSS district office by the worker includes:

(A) a signed and completed Form 03EN002E, Affidavit of Child Support Payments Received; and

(B) copies of legal documents concerning custody or child support.

(4) Centralized Support Registry (CSR). After the worker approves the client for subsidized child care benefits, all future child support payments must be made to the CSR. OKDHS Appendix C-16 contains the address for the CSR.

(5) Establishment of paternity. If paternity has not been established, the worker discusses the voluntary acknowledgment of paternity process with the alleged father when he is located. If the alleged father admits paternity, the worker secures the alleged father's and the mother's signatures on Form 03PA209E, Acknowledgment of Paternity, per instructions under the Notice of Rights and Responsibilities on the form. ■ 10

(6) Good cause. Although the client's cooperation in the pursuit of child support through OCSS is required as a condition of eligibility for child care, good cause for refusal to cooperate may be granted when such cooperation is not in the best interest of the child. OKDHS may determine that child support activities can be safely conducted without the cooperation of the client.
(A) The client must sign Form 03TA012E, Cooperation Agreement and Request for Good Cause, at the time of the initial application, at the time of an additional child request, or when circumstances result in an applicant or recipient's request for good cause. The worker does not deny, delay, or discontinue subsidized child care benefits pending a determination of good cause for refusal to cooperate if the applicant or recipient has complied with the requirements to furnish evidence or information.

(B) OKDHS determines that the client has good cause for refusing to cooperate only when:

   (i) there is possible physical or emotional harm to the child;

   (ii) there is possible physical or emotional harm to the parent or caretaker;

   (iii) the child was conceived as a result of incest or forcible rape;

   (iv) legal proceedings for adoption of the child are pending before a court; or

   (v) the client is currently being assisted by a public or licensed private social agency to resolve the issue of whether to keep the child or relinquish the child for adoption.

(C) It is the responsibility of the applicant or recipient who makes a claim for good cause to supply documentary evidence to establish the claim, or to furnish sufficient information to permit OKDHS to investigate the circumstances of good cause for refusing to cooperate. Uncorroborated statements of the applicant or recipient are not acceptable documentation. The evidence must be of probative value and supported by written statements to the extent possible. Examples of acceptable written statements include:

   (i) birth certificate, medical, or law enforcement records indicating the child was conceived as a result of incest or forcible rape;

   (ii) court documents or other records indicating legal proceedings for adoption are pending before a court of competent jurisdiction;

   (iii) criminal, medical, child protective services, social services, psychological, or law enforcement records indicating the putative or absent parent might inflict physical or emotional harm on the child or caretaker;

   (iv) medical records indicating the emotional health history and present
emotional health status of the caretaker or child, or a written statement from a mental health professional indicating a diagnosis or prognosis concerning the emotional health of the caretaker or child;

(v) a written statement from a public or licensed private social agency that the applicant or recipient is being assisted by OKDHS to resolve the issue of whether to keep the child or relinquish the child for adoption; and

(vi) sworn statements from persons other than the client with knowledge of the circumstances which provide the basis for the good cause claim.

(D) Upon request, the worker assists the client in obtaining evidence that is not reasonably obtainable. This requirement is limited to the specific documentary evidence in (C)(i) through (vi) of this subsection. The client must specify the type of document or record needed, as well as provide sufficient identifying information to make it possible to be obtained.

(b) Failure to cooperate in the pursuit of child support. Failure to cooperate in pursuit of child support without good cause may be indicated at the time of application or at any time further action by the client is necessary.

(1) Actions indicating failure to cooperate include refusals to:

(A) identify and assist in locating a known parent;

(B) establish paternity; or

(C) establish, modify, or enforce a support order.

(2) When the client refuses to cooperate at the time of application, the worker denies the application.

(3) When the worker is informed by OCSS that the client is not cooperating after certification, the worker closes the subsidized child care benefits for all children included in the child care benefits effective ten calendar days from the date action is taken. ■ 12

(c) Cooperation with OCSS following denial or closure of the subsidized child care benefits. The client must verify that he or she is cooperating with OCSS before subsidized child care benefits can be approved again. ■ 13

(1) If the client cooperates with OCSS within 30 calendar days of the
(A) denial of subsidized child care benefits and the worker is notified of the cooperation within this time frame, the worker may approve subsidized child care benefits without a new application; or

(B) closure of the subsidized child care benefits and the worker is notified of this cooperation within this time frame, the worker can reopen the benefits back to the date they closed without imposing a penalty period. ■ 14

(2) If the client does not cooperate with OCSS or waits to inform the worker of this cooperation for more than 30 calendar days from the date the subsidized child care benefits are denied or closed, the client must complete a new application before care can be approved. The earliest date subsidized child care benefits can be approved is the date the client completes a child care interview and provides all necessary verification per OAC 340:40-3-1.

(d) Exploration and development of potential income other than child support. The worker explores all other potential sources of income such as Social Security benefits, Supplemental Security Income (SSI), unemployment benefits, veterans benefits, and increased wages at the time of application and at each review for all members of the household whose income must be considered per OAC 340:40-7-6. ■ 15 The client must apply for, or continue to pursue, all potential sources of income for which it appears likely he or she may be eligible except for SSI. The client is encouraged, but not required, to apply for SSI when the client indicates that a household member has a disability. The worker gives the client 90 calendar days from the date potential income is identified to pursue such income. ■ 16

(1) If the client refuses to pursue available income at the time of request, the worker denies the child care request.

(2) If the client agrees to pursue all potential income and then fails to do so, the worker closes subsidized child care benefits effective ten calendar days from the date the worker takes action. ■ 17

(3) If the client is approved for the potential income or offered a raise in pay and refuses to accept it, the worker closes the subsidized child care benefits effective ten calendar days from the date the worker takes action.

(4) If the client's pay is decreased either in rate of pay or number of hours worked, the worker explores why the decrease occurred. If the client requested the decrease to avoid a family share co-payment increase or to maintain eligibility for the subsidized child care benefits, the worker closes the subsidized child care benefits. ■ 18
(5) At each review, the worker determines whether the client continues to pursue potential income.

(A) If the client begins receiving previously identified potential income, the worker considers the income for the next negative action deadline after it is reported.

(B) If the client was determined not eligible for the income, the client must verify this. The worker records in the case record the verification provided and stops exploring this potential income with the client.

(C) If the client stops pursuing the income and was not determined ineligible for it, the worker closes the client’s child care benefit for failure to cooperate effective ten calendar days from the date the worker takes action.

(6) If the client’s subsidized child care benefits were closed because of failure to cooperate, the client must verify receipt or pursuit of such income or that such income is no longer potentially available before child care can be approved.

(A) If the client verifies cooperation within 30 calendar days of the closure of subsidized child care benefits, the worker may reopen the benefits back to the date they were closed without imposing a penalty.  

(B) If the client does not cooperate or waits to verify cooperation for more than 30 calendar days from the date the subsidized child care benefits close, the client must complete a new application before care is approved. The earliest date subsidized child care benefits may be approved is the date the client completes a child care interview and provides all necessary verification per OAC 340:40-3-1.

INSTRUCTIONS TO STAFF 340:40-7-9

Revised 6-1-11

1. If the child is a sibling to other children that must be included in the child care household, the client must be willing to pursue child support for all children in order to be eligible for subsidized child care benefits for some of the children.

2. If the client is receiving court-ordered child support, he or she must complete required child support forms. Once the referral is sent to Oklahoma Child Support Services (OCSS), the client may call OCSS and request the child support case be closed because he or she is receiving court-ordered child support in accordance with Family Support Services (FSS) memo 05-12.
OCSS staff decides whether the child support case can be closed without penalty to the client. When OCSS staff decides no penalty is required, they use the closure reason code of 01 on the CCPI screen.

3. When there is a court order stating that child support was not ordered, OCSS staff determines whether the order is being followed as written and whether it is feasible to pursue support. If OCSS staff determines it is not feasible to pursue child support, they use the closure reason code of 01 on the CCPI screen.

4. The termination of parental rights does not eliminate the obligation of either parent to provide financial support for his or her minor child. Per Section 7006-1.3 of Title 10 of the Oklahoma Statutes, termination of parental rights affects the parent’s rights, not his or her responsibility to support the child except in the case of adoption.

5. If one or both of the child's parents is absent from the home, the worker informs the client that he or she must complete the required child support forms prior to adding the child to the child care benefits. If the client does not complete the required forms, the worker closes child care benefits for all siblings of this child.

6. When one parent leaves the home, Form 08AD092E, Client Contact and Information Request, is sent to schedule an appointment to complete required child support forms. If both parents leave the home, a new child care application is required that would include completion of child support forms.

7. The worker documents in Family Assistance/Client Services (FACS) Case Notes the case number where child support is being pursued and cross references that case number on the system.

8. An example is when a client's household consists of his or her own children as well as other children such as nieces, nephews, or grandchildren. If the client only wants child care for the other children, the client is not required to pursue child support for his or her own children.

9. The worker enters information from Form 08TA001E, Absent Parent (AP) Information Sheet, in the Deprivation tab of the FACS Interview Notebook. The client must give enough information so that the referral crosses over to OCSS. Required entries in the Deprivation tab include:
(1) the "name of the absent parent" field I4. This _may_ be shown as unknown;

(2) "sex" field I13;

(3) "deprivation factor" field F48;

(4) "client assignment of child support" field I25. This is marked "refused to assign support" for child care;

(5) "cooperation" field I26. This is marked as "agreed to cooperate" or "pending determination of good cause";

(6) "person number for the child" field I61; and

(7) "absent parent legal status" field I64.

10. The worker sends the original and one copy of Form 03PA209E, Acknowledgment of Paternity, to the Oklahoma State Department of Health (OSDH), Division of Vital Records and gives a copy to the mother and the alleged father. Completion and filing of Form 03PA209E legally establishes paternity for a child. If either parent, within 60 calendar days of completing Form 03PA209E, changes his or her mind about acknowledging paternity, he or she signs Form 03PA211E, Rescission of Acknowledgment of Paternity. Copies of the form are distributed as indicated on the form.

11. When a claim for good cause is made, the worker updates the Deprivation tab in the Interview Notebook of FACS to indicate that a good cause determination is pending. OCSS forms are completed but not submitted until a good cause determination is made. The good cause determination process is completed when Form 08TA009E, Good Cause Report, and appropriate documentation supporting the good cause claim are forwarded to the appropriate OCSS district office.

   (1) On an application without a previous good cause request, the worker and supervisor determine whether good cause is justified after evaluating all of the information.

   (2) If the human services center (HSC) staff and OCSS district office staff concur with the client's claim for good cause, the worker updates the appropriate entries on the Deprivation tab of FACS.
(3) If the HSC staff and OCSS district office staff do not concur with the client's claim of good cause, the worker advises the client that if he or she continues to refuse to cooperate, the child care benefit must be closed. If the client agrees to cooperate at this point, he or she signs a new Form 08TA012E, Cooperation Agreement and Request for Good Cause. The worker submits the appropriate OCSS forms to the appropriate OCSS district office and updates the Deprivation tab to indicate the client is cooperating.

(4) When the HSC staff and OCSS district office staff do not concur in a determination of good cause, the worker submits all pertinent information, including Form 08TA009E to the Family Support Services Division (FSSD) where a final determination regarding good cause is made. The two offices make every effort to reconcile their decisions before referring the decision to FSSD. FSSD staff returns Form 08TA009E with Section V completed to the worker for appropriate action and sends a copy to the OCSS district office.

(5) When the client reapplies for child care and good cause has previously been approved, the worker interviews the client to determine if any changes have occurred from the circumstances that resulted in the previous good cause determination.

   (A) If there are no changes, the worker completes Sections I, II, and III of Form 08TA009E and forwards it to the OCSS district office for concurrence.

   (B) If changes occurred that may affect the good cause determination, the worker asks the client to furnish sufficient documentary evidence to substantiate the reported changes. Upon receipt of the documentation, the worker completes Sections I, II, and III of Form 08TA009E, attaches a copy of the documentation, and forwards it to the OCSS district office for concurrence.

(6) At each child care review, the worker asks the client whether any circumstances have changed regarding good cause.

   (A) If circumstances have not changed, the worker takes no further action regarding good cause.

   (B) If it appears circumstances have changed and good cause may no
longer exist, the worker completes Section VI of the original Form 08TA009E, attaches documentation of the change(s), and sends it to the OCSS district office for concurrence of the good cause consideration.

(C) If there is no Form 08TA009E in the case record, the worker completes Sections I and VI of a new Form 08TA009E. The OCSS district office completes Section VI and returns the form to the worker.

(7) If the HSC staff and OCSS staff jointly agree that good cause no longer exists, the client is advised he or she must pursue child support through OCSS or the child care benefit must be closed. If the client agrees to cooperate, he or she signs a new Form 08TA012E. The worker mails appropriate OCSS forms to the OCSS district office and updates the Deprivation tab in FACS.

(8) If an additional child is added to the case and good cause was approved for the same parent, the worker codes the "cooperation" field I26 of the Deprivation tab to show "good cause for not cooperating has been determined" unless good cause circumstances have changed.

12. (a) OCSS staff can inform the worker of non-cooperation by calling or e-mailing the worker. The FSSD Business Knowledge and User Support Section sends an OCSS Non-Cooperation Report to HSC staff monthly.

(b) When the client is also receiving Temporary Assistance for Needy Families (TANF) benefits and does not cooperate with OCSS, the system automatically closes the child care benefits.

(c) The worker checks the client's current cooperation status before closing the subsidized child care benefits. The worker first finds the client's family group number (FGN) by entering PY space and the clients Social Security number. The worker then accesses the CCPI transaction by entering CCPI space the client’s FGN. If the "cooperation" field is marked Y, the client is cooperating. If the "cooperation" field is marked O, the client is not cooperating and the subsidized child care benefits are closed only if the "IV-D status" field is marked:

(1) 02;

(2) 04 and the reason is 17; or
(3) 10 and the reason is 31 or 32.

(d) The worker enters a FACS Case Note stating why the subsidized child care benefits were closed.

13. The worker checks the CCPI transaction to confirm cooperation before reopening the subsidized child care benefits. The "cooperation" field must show a Y before the penalty is lifted. If OCSS staff contacts the worker to confirm cooperation but CCPI has not been updated, the worker asks OCSS staff to update the CCPI transaction before subsidized child care benefits may be approved.

14. If the worker reopens the subsidized child care benefits more than ten calendar days from the date of the closure action, refer to OAC 340:40-10-4(e) regarding the manual claim process.

15. (a) The worker and the client jointly determine which sources of income may be available to the client and develop a plan to pursue identified potential income. The worker records this plan on the application or review form or in the FACS Interview Notebook under the Child Care tab.

(b) Refer to OAC 340:40-7-8(a) and Instruction to Staff # 3 for information about counseling with the client to increase income.

16. The worker sets a 90-day reminder to determine whether potential income is being pursued and sends Form 08AD092E at the time of certification advising the client what income must be pursued within 90 days.

17. If the worker has not received information verifying that the client is now pursuing potential income, he or she sends Form 08AD092E giving the client ten additional calendar days to provide proof that potential income is being pursued. If verification is not provided, the worker closes the child care benefit for the next negative action deadline date. The only exception is when a person outside of the household is receiving Social Security benefits as the payee for a minor in the household. If action is not taken within 90 calendar days, the worker counts the total Social Security benefit as income rather than closing the child care benefit.

18. If the client tells the worker he or she decreased pay to reduce the family share co-payment or to remain eligible for child care, the child care benefit is closed. If the client tells the worker that pay was decreased for other reasons,
the worker contacts the employer to gather information about why the client's pay was decreased. The worker consults with his or her supervisor prior to closing the client's subsidized child care benefits for this reason. FACS Case Notes must clearly document why subsidized child care benefits were closed.
340:40-7-11. Sources of income considered

Revised 6-1-11

(a) **Sources of income considered.** Income may be received periodically or at irregular intervals. All income, unless specifically excluded per OAC 340:40-7-12, is considered in determining monthly gross income. Income is classified as earned or unearned income. Gross income is treated the same for both types of income. ■ 1

(b) **Earned income.** Earned income means total money earned by a person through the receipt of wages, salary, commission, or profit from activities in which the person is engaged as self-employed or as an employee. ■ 2 Temporary disability insurance payment(s) and temporary worker's compensation payments are considered as earned income if payments are employer funded and the person remains employed.

1. **Wages.** Wages include total money received for work performed as an employee including armed forces pay, commissions, tips, piece-rate payments, longevity payments, and cash bonuses before any deductions are made such as taxes, bonds, pensions, union dues, credit union payments, and cafeteria plans. ■ 3

   (A) Countable wages for military personnel include Variable Housing Allowance (VHA), Basic Allowance for Quarters (BAQ), and Basic Allowance for Housing (BAH).

   (B) Only the portion of the cafeteria plan the client controls is counted as income. ■ 4

   (C) Reimbursements for expenses such as a uniform allowance or transportation costs, other than daily commuting, are subtracted from gross income.

   (D) Payments made for annual leave, sick leave, or severance pay are considered earned income during the month such income is received whether paid during employment or at termination of employment.

   (E) Wages that are garnished or diverted and paid to a third party are also counted as income.

2. **Self-employment.** Earnings derived from a business enterprise owned solely or in part by the person are considered self-employment income. ■ 5

   (A) **Records used and income calculation.** The worker uses the records
described in (i) through (iii) to calculate income.

(i) If the person filed a federal income tax return for self-employment income for the most recent year, the worker uses the net self-employment income shown on the person's federal income tax return and divides the income by 12 or the number of months the business has been in existence, if less than 12 months.

(ii) If the person did not file an income tax return for the most recent tax year, the worker calculates self-employment income using the person's business records for the last 12 months or the number of months the business has been in existence if less than 12 months. If the client declares he or she has business expenses, the worker subtracts 50% of the gross self-employment income to arrive at the net profit.

(iii) When the person reports a loss instead of a profit on the business, the worker does not deduct the loss from other household income.

(B) Profit sharing. Households who operate S corporations, general or limited partnerships, or limited liability companies may receive profit sharing that is reported on the household's personal income tax return. When a household member:

(i) actively participates in the operations, the income from profit sharing is considered part of the household's self-employed earned income; or

(ii) does not actively participate in the operations, the income from profit sharing is considered part of the household's unearned income.

(C) Monthly self-employment income. Self-employment income received on a monthly basis is normally averaged over a 12-month period. If the averaged amount does not accurately reflect the household's actual monthly circumstances because the household has experienced a substantial increase or decrease in income, the worker calculates the self-employment income based on anticipated earnings. ■ 6

(D) Seasonal self-employment. Self-employment income intended to meet the household's needs for only part of the year is averaged over the period of time it is intended to cover. ■ 7

(E) Annualized self-employment income. Self-employment income that represents a household's annual support is averaged over a 12-month period,
even if the income is received in a short time period. If the averaged amount does not accurately reflect the person’s actual monthly circumstances because the person experienced a substantial increase or decrease in income, self-employment income is based on anticipated earnings, using the business records that reflect the current situation. ■ 6

(F) Income from rental property. Income from rental property is considered self-employment income. ■ 8

(G) Income from room and board. Payments from roomers or boarders are considered self-employment if the roomer or boarder is paying a reasonable amount. If the roomer or boarder is an adult non-relative opposite sex individual (ANROSI), OAC 340:40-7-6(b)(4) applies. ■ 9

(3) On-the-job training. Earned income from regular employment for on-the-job training is considered as earned income.

(4) Workforce Investment Act (WIA). Income earned in on-the-job training positions provided under Section 134 of WIA is considered earned income for persons who are 19 years of age and older. On-the-job training provided must be full-time positions, and there must be a contract between WIA and the employer for each individual position. This does not include classroom training and institutional training or intern assignments sponsored by WIA, even when an hourly amount is paid for such training. Refer to OAC 340:40-7-12(24)(G) for other types of excluded WIA income.

(5) Title I payments of Domestic Volunteer Services Act. Payments under Title I of the Domestic Volunteer Services Act of 1973 as amended [P.L. 93-113] are considered income unless they are excluded per OAC 340:40-7-12.

(6) Earnings of children. Earned income of a minor parent is treated as adult earned income. Earnings of other children 17 years of age and younger who are under the parental control of an adult household member are excluded per OAC 340:40-7-12. ■ 10

(c) Unearned income. Unearned income is income a person receives for which the person does not put forth any daily, physical labor. Types of income listed in paragraphs (1) through (10) of this subsection are considered unearned income. ■ 11

(1) Assistance payments. Assistance payments include state means tested programs, such as Temporary Assistance for Needy Families (TANF), including Supported Permanency benefits, State Supplemental Payment (SSP) to the aged,
blind, or disabled, and Refugee Resettlement Program (RRP) cash assistance.  

(2) **Pensions, disability, and Social Security benefits.** Annuities, pensions, retirement benefits, disability benefits from either government or private sources, or Social Security survivor benefits are considered unearned income. When a minor child receiving Social Security benefits no longer lives with the payee receiving the Social Security benefits, only the portion of the child's Social Security benefit that is used to meet the minor child's needs is considered income. This may include cash given directly to the minor or money paid to a third party for room and board for the minor child. The parent or caretaker or, if appropriate, the minor child must take action to become the payee within 90 calendar days as required at OAC 340:40-7-9(d). If action is not taken within 90 calendar days, the worker counts the total Social Security benefit as income.

(3) **Supplemental Security Income (SSI).** SSI is considered unearned income.

(4) **Unemployment and workers' compensation.** Income from unemployment insurance benefits or workers' compensation is counted as unearned income.

(5) **Child support, court-ordered or third party paid child care, and alimony.** Child support, child care payments, and alimony payments, whether court-ordered or voluntary, made directly to the household from non-household members are counted as unearned income.

(A) If a child care payment is paid directly to the child care provider, it is not considered income for the client.

(B) When the absent parent reports he or she is paying a portion of the client's family share co-payment to the child care provider, the only action taken by the worker is to record this in the case record.

(C) If the absent parent or another third party, such as an employer, is making a payment to the provider in addition to the client's co-payment, it is considered as an additional co-payment that must be met before the Oklahoma Department of Human Services (OKDHS) makes a subsidy payment to the provider.

(D) Any other payment made to a third party for a household expense must be considered as income when a court order directs that the payment be made to the household. Payments for medical support are excluded.
(6) **Veterans compensation, pensions, or military allotments.** Annuities, pensions, disability compensation, military allotments, servicemen dependent allowances, and similar payments are considered unearned income. ■ 16

(7) **Contributions.** Appreciable contributions recurrently received in cash are considered unearned income except when the contribution is not made directly to the recipient. To be appreciable, a contribution must exceed $30 per calendar quarter per person.

(8) **Dividends, interest, minerals, and royalties.** Dividends, interest income, income from minerals, royalties, and similar sources are considered unearned income. When income from these sources is received irregularly or in varied amounts, it is averaged over 12 months. Income from royalties is treated as unearned, self-employment income, subject to (b)(2) of this Section.

(9) **Lump sum payments.** Recurring lump sum payments, including income from earnings, are averaged over the period they are intended to cover. ■ 17

(10) **Irregular income.** Income received irregularly but in excess of $30 per quarter is considered income unless it is from an excluded income source specifically mentioned at OAC 340:40-7-12. Countable irregular income is averaged over 12 months. ■ 18

**INSTRUCTIONS TO STAFF 340:40-7-11**

**Revised 6-1-11**

1. Refer to OAC 340:40-7-12(6) regarding exempting income for certain children adopted through Oklahoma Department of Human Services (OKDHS) when specific conditions are met.

2. (a) If the client is not making at least minimum wage, refer to OAC 340:40-7-8(a) to determine whether the client meets the need factor for employment.

(b) For this source of income to be considered self-employment, the person must:

   (1) state he or she is self-employed;

   (2) be eligible to file federal and state income tax returns as a self-employed person. A person who owns an interest in a corporation does not qualify as self-employed because the person does not have
business expenses. Self-employment income tax return forms include, but are not limited to:

(A) Form 1040 with Schedule C for sole proprietors;

(B) Form 1065 with Schedule 8865 K-1 for partnerships;

(C) Form 1120-S with Schedule K-1 for S corporations; or

(D) Form 1040 with Schedule F for farmers;

(3) not have an employer/employee relationship with another entity; and

(4) have the potential to realize a profit or a loss.

3. (a) Wages are averaged over a minimum of the last 30 days unless these wages are not indicative of future earnings. Refer to OAC 340:40-7-13 for information on computing income. The worker records income information in the Family Assistance/Client Services (FACS) Interview Notebook under the Income tab.

(b) Money allotted for rent and food that may appear on an active military person's pay check is considered part of that person's earned income.

4. If a person receives a benefit allowance from the person's employer, the worker counts the regular gross earnings plus any excess money left after deducting the insurance cost from the benefit allowance. For example, a person:

(1) is given a $300 benefit allowance to purchase insurance and uses the entire amount to purchase the insurance. None of the benefit allowance is counted as income;

(2) is given a $300 benefit allowance but only purchases $280 in insurance. The remaining $20 given to the client as an excess benefit allowance is counted as income; or

(3) has an option of purchasing insurance and would receive a $300 benefit allowance if insurance was purchased, but the person elects not to purchase the insurance. In this situation, the employer makes $150 of the $300 benefit allowance available as cash. The $150 is an excess benefit
allowance and is counted as income.

5. (a) Capital gains income is excluded as income for subsidized child care benefits. Refer to OAC 340:50-7-30(1) for food benefits.

(b) Persons who own an interest in a corporation do not qualify for the business expense deduction as they do not have individual business expenses.

(c) Self-employment income tax return forms include, but are not limited to:

   (1) Form 1040 with Schedule C for sole proprietors and some limited liability companies;

   (2) Form 1065 with Schedule 8865 K-1 for partnerships;

   (3) Form 1120-S with Schedule K-1 for S corporation; or

   (4) Form 1040 with Schedule F for farmers.

(d) The worker documents in FACS Case Notes how the countable income was calculated.

6. (a) If the client states that his or her income has increased or decreased, the worker uses whatever income is representative of future earnings to determine the family share co-payment. The worker documents in FACS Case Notes how income was calculated and why the full 12-month average was not used.

(b) If the person's self-employment enterprise has been in existence for less than one year, the worker divides the total income by the number of months the person has been in business.

(c) If the client has not yet received income from the enterprise, no income is considered per OAC 340:40-7-10 until the client receives some income.

7. (a) For example, if a person is self-employed only during the summer months and works as an employee for someone else during the rest of the year, the worker averages the self-employment income only for the summer months.

(b) If this income is from a new source and no income has been received,
income is not counted from this source until income is received. If the client had this same seasonal business the prior year, the worker anticipates income for the first month based on the prior year's income records unless it is not representative. The worker records documentation about how income is calculated in FACS Case Notes.

8. Income from rental property is considered as self-employment whether the client or an outside source manages the property. There is no minimum number of hours the client must manage the property for the income to be considered self-employment.

9. For a client to declare someone is paying room and board rather than being a roommate, the client must own or be buying the home separately from the tenant. Determining who must be considered part of a household is different for food benefit purposes, per OAC 340:50-5-1 and 340:50-7-30(9).

10. A child turning 18 years of age is considered an adult for child care purposes. If the child is a sibling to the child needing subsidized child care benefits, the 18 year old sibling's income is not counted. Refer to OAC 340:40-7-6 regarding household composition and income consideration, and 340:50-5-1 regarding who must be included in a household for food benefits.

11. Refer to OAC 340:65-3-4 regarding ways to verify and document unearned income.

12. Recipients of these assistance programs are predetermined income eligible with a zero family share co-payment for the subsidized child care benefits per OAC 340:40-7-1.

13. (a) A recipient of Supplemental Security Income (SSI) is predetermined income eligible with a zero family share co-payment for subsidized child care benefits per OAC 340:40-7-1.

(b) The worker considers the SSI income in determining the family share co-payment for other household members. The child receiving SSI is not counted as a child in OKDHS subsidized care on OKDHS Appendix C-4 when determining the family share co-payment for the other children. The only exception is if it makes a difference in whether the other children are income eligible for child care per OAC 340:40-7-1(1)(B). For example, household income may be $2,425 if the client is approved for two children in care. Household income for one child in care is $1,950. If the client has one child
receiving SSI and one child who is not and the client's household income is $2,400, 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 not be eligible for the other child. If this situation occurs and the family has more than one child receiving SSI, all children must be included on the same case. The family cannot choose to put one of the children on the case with the co-payment and the others on their own cases with zero co-payments.

(c) The child is counted as a family member in determining household size.

14.(a) The worker obtains copies of any established court orders. If the client states he or she receives any of these types of income, the worker obtains current statements or interviews the person providing this assistance as to dates and amounts of all payments made within the last 60 calendar days. If support is received sporadically or in varying amounts, the worker may choose to average income over a longer period of time and document his or her reasoning in FACS Case Notes.

(b) To determine if these payments are paid through the Oklahoma Child Support Services (OCSS), the worker uses the Information Management System (IMS) and enters SSN space and the client's Social Security number to find the family group number (FGN). The worker enters KI1 space FGN to display a list of payments received. For an explanation of the FGN enter M space CSMLDATA; and for information on using transaction KI1, enter M space KI1.

(c) The worker codes child support income on the child for whom it is being received if that child is considered a household member. If the client is receiving child support for a child not included in the household, it is coded as a contribution to the client. Refer to OAC 340:40-7-12(10) if child support income is being received for the care and maintenance of a third party.

(d) If the absent parent is paying a portion of the client's family share co-payment and the client is also receiving food benefits, the portion that the absent parent is paying is not considered a dependent care deduction for the Supplemental Nutrition Assistance Program (SNAP), per OAC 340:50-7-31(b)(4).

(e) Exclude money paid directly to household expenses that are not court-ordered. Refer to OAC 340:50-7-29(b)(3) for information on how this
income is considered for SNAP.

15. (a) When someone outside of the client's home is paying a portion of the cost of child care directly to the child care provider and states this money is in addition to the client's family share co-payment, the worker enters this additional co-payment in the FACS Eligibility Notebook under the Child Care tab, "Court-ordered" field E55. When a dollar amount is entered in field E55, OKDHS does not make a payment to the child care provider until both the family share co-payment and the additional co-payment is applied to the cost of care first.

(b) The worker sends Form 08MP037E, Notice Regarding Social Services, to both the client and the provider advising them that an additional co-payment is being paid by someone other than the client in addition to the family share co-payment owed by the client.

(c) If this additional co-payment stops being paid, the worker removes the additional co-payment from the "Court-ordered" field E55 and e-mails Form 10EB004E, Report of EBT Child Care Payment Adjustments, to the e-mail address on the form to request an adjustment be made to the provider's pay.

16. Military benefits contingent upon the person regularly attending school are excluded.

17. (a) Non-recurring lump sum payments are excluded as income per OAC 340:40-7-12.

(b) Examples of recurring countable lump sum payments include gambling winnings received on a consistent basis where the client has an established gambling pattern, earnings received less often than monthly, sporadic payments of child support, or dividend payments.

18. An example of irregular income is gambling winnings that are received on a consistent basis where the client has an established gambling pattern.
340:40-9-1. Review of child care eligibility

Revised 6-1-11

(a) **Child care review.** All conditions of eligibility are periodically reviewed per OAC 340:40-7. The client is sent notification when the review is due and the methods the client may use to complete it. The client must complete the review in order to continue receiving benefits. ■ 1

(b) **Review time frame.** When circumstances change between review months, the worker evaluates whether to complete a review early, a new application, or make changes to the client’s family share co-payment and/or plan of service. ■ 2 A review for subsidized child care benefits must be completed no later than:

1. six months from the date of approval or the last review when the child does not receive public assistance; ■ 3 or

2. 12 months from the date of approval or last review when the child receives Temporary Assistance for Needy Families (TANF) or a State Supplemental Payment (SSP). ■ 4

(c) **Signature requirement.** The client or the client’s authorized representative must sign the review. ■ 5

(d) **Interview requirement.** An interview is not required at review for the Child Care Subsidy Program unless the client receives child care benefits because of a protective or preventive reason per OAC 340:40-7-8. When an interview is required, it must be a face-to-face interview. ■ 6

(e) **Eligibility determination.** An eligibility determination is made once the review is signed, all required information has been provided, an interview, if required, is conducted, and all information evaluated. ■ 7

1. The eligibility determination results in:

   (A) completing the review without changes;

   (B) completing the review with changes; or

   (C) closing the child care benefits. ■ 8

2. Benefits closed may be reopened when the client provides required information
Synchronization of benefits. When the client is receiving other benefits from the Oklahoma Department of Human Services in addition to the subsidized child care benefits, certification and review dates must be coordinated with the other programs.

INSTRUCTIONS TO STAFF 340:40-9-1

Revised 6-1-11

1. (a) Methods the recipient may use to complete the review electronically include:

   (1) accessing www.okdhslive.org; or

   (2) getting help from a community partner to access www.okdhslive.org.

(b) Other methods the client may use to complete the review include:

   (1) downloading Form 08MP004E, Renew My Benefits, from www.okdhslive.org and completing, signing, and bringing or mailing it to the local human services center (HSC); or

   (2) going into the local HSC to complete the review with a worker using the Family Assistance/Client Services (FACS) system.

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

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

   (2) family income has not been considered because policy at OAC 340:40-7-12(6) applied and one or more of the affected adopted children turns six unless there is already a separate open income eligible case and the child can be added to that case per OAC 340:40-9-2(c);

   (3) the client’s subsidized child care benefits have been closed for more than 30 calendar days; or

   (4) the review for subsidized child care benefits must be synchronized with a new application for food benefits.
(b) When the client's Temporary Assistance for Needy Families (TANF) benefit closes and there is a continued need for subsidized child care benefits, the worker must:

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

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

3. 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

4. complete an application for subsidized child care benefits if they are not open at the point the TANF benefit closes per OAC 340:40-3-1.

(c) If a change is needed to the number of units and unit type approved or to the family share co-payment, the worker makes the change per OAC 340:40-9-2 regarding the effective date of when changes can be made and documents the changes in FACS Case Notes.

3. Reviews due at six months are coded as semi-annual reporters in the Social Services tab of the FACS Eligibility Notebook.

4. (a) Child care for a child receiving TANF is reviewed in conjunction with changes to the parent or caretaker's TANF Work plan which may occur earlier than 12 months. When the TANF Work plan does not change every 12 months, the child care review is completed in conjunction with the TANF cash assistance review.

(b) Child care for a child receiving a State Supplemental Payment (SSP) is reviewed in conjunction with the SSP review at 12 months unless an earlier review date is needed.

5. (a) An electronic signature is considered the same as a pen and ink signature.

(b) No additional information is entered after the recipient signs the review. Additional information is entered in FACS Case Notes.

6. (a) When the need factor is for protective or preventive child care, the child is
seen at the face-to-face interview whenever possible to help determine if other social services are needed. In addition to completing appropriate FACS Interview and Eligibility tabs, the worker enters in FACS case notes:

1. why protective or preventive child care is needed;
2. the circumstances leading to the conclusion that the child is at risk of neglect, abuse, or exploitation;
3. an explanation of whether a Child Welfare (CW) referral was made and, if not, the reason, as well as any coordination efforts between the worker, CW staff, and any other community partners;
4. an explanation of the support system available to the family;
5. the length of time child care is needed;
6. whether the family is expected to pay a family share co-payment; and
7. the worker's opinion about the need for child care.

(b) When a child care review is completed at the same time as the TANF or SSP review and an interview is conducted for that program, FACS case notes must include interview details regarding documentation of the child care plan.

7. (a) Once the client completes the review, the information is analyzed to determine:
1. what changes have occurred;
2. whether the client provided all required verification. Required verification includes verification of income and proof of the client's current work, training or school schedule. All income verification provided is evaluated to determine what is most indicative of future earnings;
3. whether an interview occurred for a protective or preventive need; and
4. what changes must be made on the system.

(b) The review is complete after:
(1) all review information has been entered in the Interview and Eligibility Notebooks of FACS;

(2) information contained on the review, in the verification provided, and on data exchange screens have been evaluated for changes;

(3) any additional information has been entered in FACS Case Notes to explain any changes made and how continued eligibility was determined; and

(4) the system is updated.

(c) If the client is using a one star child care provider at the time of the review, the client is sent or given the pamphlet, OKDHS Pub. No. 01-18, "Reaching for the Stars," to encourage the client to choose a provider who is licensed. Refer to OAC 340:40-5-1(7) for more information on helping a client choose an appropriate child care provider.

8. (a) When it is determined that the review is incomplete because the client failed to sign the review, did not provide all required verification, or did not complete an interview if a protective or preventive need, attempts are made to contact the client to advise what is lacking. FACS Case Notes are documented with what is lacking and all attempts to obtain needed information.

(b) When the client does not provide required information timely or the client is no longer eligible for subsidized child care, benefits are closed ten days from the date action is taken. Refer to OAC 340:40-9-2(g).

(c) When it is determined that the family is no longer eligible for subsidized child care benefits but 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. If necessary, the worker gives needed information to the client and records this discussion in FACS Case Notes.

(d) A computer-generated closure notice is sent to the client and the child care provider.

(e) In the event the client provides, after closure, needed information to determine continued eligibility and the information indicates that the client is
no longer eligible for child care, the client is sent Form 08MP037E, Notice Regarding Social Services, to advise the client of his or her ineligibility.

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

(b) When it is determined that benefits can be reopened, any required changes are processed in the same action that benefits are reopened. Refer to OAC 340:40-9-2(h).

10. 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 that application. If an application for subsidized child care benefits is approved for a later effective date than other benefits, the "date of last review" field E7 is shortened to match the other benefits. If other benefits are open the, "subsidized child care benefits review date" field E7 must match the certification date shown for food benefits or the review date shown for other programs.
340:40-9-2. Case changes

Revised 6-1-11

(a) Case changes. The client must report any changes in his or her circumstances that would result in an increase or decrease in subsidized child care benefits within ten calendar days.  ■ 1 The worker acts on changes that increase or decrease the subsidized child care benefits within ten calendar days of the reported change.  ■ 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) Change of payee. When a change of payee is reported, the worker refers to policy at OAC 340:40-7-6(c) regarding temporary absence. If the situation is not temporary, a new application must be taken. Refer to OAC 340:40-3-1 for application processes.

(c) 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
(d) **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.  

When the client reports a change 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.  

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.

(e) **Changes that decrease the subsidized child care benefits.** When possible, the worker and client plan 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/Co-payment Chart, to determine whether the household meets income guidelines per OAC 340:40-5-1(8).

(f) **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 the client reports this change timely. The worker completes provider changes within two working days of the date the client reports the change.

(g) **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.

(h) **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 showing the family continues to be eligible.

The client must complete a new application per OAC 340:40-3-1(a)(1) when:

1. The client's subsidized child care benefits have been closed for more than 30 calendar days;

2. The payee for the subsidized child care benefits changes; or

3. Family income was not considered because policy at OAC 340:40-7-12(6) applied and one or more of the affected adopted children turned six years of age unless there is already a separate open income eligible case and the child can be added to that case per OAC 340:40-9-2(c).
INSTRUCTIONS TO STAFF 340:40-9-2

Revised 6-1-11

1. (a) The client is not required to come into the human services center (HSC) to report changes. Changes may be reported in person, by phone, fax, or e-mail.

(b) The worker confirms with the client any case changes reported by persons other than the client before processing the change.

2. When the client also receives food benefits per OAC 340:50-9-5, the system determines which changes affect food benefits. Refer to OAC 340:40-9-1 for information on child care reviews.

3. Refer to OAC 340:40-15-1 for information regarding overpayments, and (c) of this Section and Instruction to Staff (ITS) # 5 for 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:

   (1) the date of request;

   (2) the name and birth date of 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 must also declare the citizenship or lawful alien status of the child by signing Form 08MP022E, Declaration of Citizenship Status, prior to adding the child to the child care benefits. If the child is 14 years of age or older, he or she is also subject to additional citizenship requirements at OAC 340:65-3-1(g).

   (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 complete required child support forms prior to adding the child to the child care benefits. If the client does not complete required forms, the worker closes child care benefits for all siblings.
of this child. Refer to 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 Child Care 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 Child Care tab to the "copay" field K70 for the new authorization. After this action is cleared, the worker must make one more change to the Child Care 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 Child Care tabs and in the FACS Eligibility Notebook under Auth. Daycare and Child Care 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 FACS Eligibility Notebook Child Care tab (Section E) is the first day of the current month;

(2) a change in the number of persons needing child care. Refer to (b) of this Section and ITS # 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 Child Care 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 approval process described at OAC 340:40-7-3.1 is completed for one of the higher special needs rates.

(A) The change is made effective the first of the month following the month of the OKDHS Oklahoma Child Care Services (OCCS) licensing staff’s approval on Form 08AD006E, Certification for Special Needs Child Care Rate.
(B) If the child waits to start child care until after OCCS 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 Claim, to request supplemental payment for any increase because the client did not correctly record attendance. Unless extenuating circumstances beyond the client’s or provider’s control exist, OKDHS Finance Division staff does not supplement the provider when the client fails to swipe attendance correctly. Circumstances beyond the client’s 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 Child Care 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 Child Care tabs and in the FACS Eligibility Notebook under Auth. Daycare and Child Care tabs. Refer to 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 per 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, refer to (b) of this Section and ITS # 4. If the worker is removing a child from the subsidized child care benefits, refer to ITS #
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 electronic benefit transfer (EBT) Daycare system.

(B) If care was given, the worker makes the change in accordance with deadline changes requiring advance notice as specified 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 Child Care 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; and

(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 Subsidy 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) In most instances when the child care authorization closes on a reason code other than "change of providers" before the new provider is authorized, the worker must enter a new authorization using "application approval" rather than "change of providers" in the "notice indicator" field. The system only accepts "change of providers" in the "notice indicator" field when the reason code on the closed authorization is:
(1) 4 – change in providers;

(2) 7 – ineligible provider;

(3) 7A – provider contract terminated – State Office use only;

(4) 36 – FSS BR-1 (Form 08MP004E) not completed; or

(5) 99 – State Office use only.

(g) 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 27th day of that month. If a closure action is taken between the 28th and 31st 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/Co-payment Chart, 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 the client 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;
(C) cooperate with Oklahoma Child Support Services (OCSS); or
(D) cooperate with the Office of Inspector General (OIG).

(2) no longer meeting the need factor for child care. Refer to 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 13th of the month and reopen on the 14th, the increased co-payment applies to the first of the next month.

(b) To reopen subsidized child care benefits, the worker enters in the Child Care 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.

(c) The worker has ten calendar days to reopen benefits from the date new or additional information is received or he or she realizes benefits were closed in error. When the worker does not take action timely, he or she must enter a new authorization.

(d) When 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 Payment Adjustments.

(e) If the client reports a change in child care providers, the worker enters a new authorization rather than using the reopen action.

(f) 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.
340:40-10-1. Electronic benefit transfer (EBT) system for child care

Revised 6-1-05

(a) The EBT system for child care is used to track time and attendance for a child using subsidized child care and to process child care payments sent to child care providers. This system involves use of an EBT card by a client to document attendance by swiping the card through a point-of-service (POS) machine at the child care facility. The client is able to swipe real time attendance or can enter previous in and out times for up to ten days, the current day and nine previous days. The system works best if all or most of the client’s swipes are completed real time.

(b) The child care applicant is issued an EBT card at the time a request is made for a child care benefit. ■ 1

(c) Only two EBT cards can be issued per Family Support Services Division (FSSD) child care case; one card for the parent or caretaker and one for an authorized representative. The authorized representative can be the other parent or someone else who helps the client take the child to and pick up the child from the child care facility. The client is responsible for all swipes made by the authorized representative. ■ 2 The authorized representative cannot be the child care provider or anyone who is employed by the child care provider. ■ 3

(d) Two EBT cards can be issued per child in a Child Welfare case if each child in the case is residing with different foster parents. ■ 4

INSTRUCTIONS TO STAFF 340:40-10-1

Revised 6-1-11

1. The worker must put the Family Assistance/Client Services (FACS) Eligibility Notebook, Child Care tab in application status before an electronic benefit transfer (EBT) card can be issued. Prior to issuing an EBT card, the client must watch an EBT client training video. Refer to OAC 340:40-3-1 for initial application information.

2. In two-parent households, the other parent must be added as the authorized representative and issued his or her own EBT card if they will be responsible for swiping attendance.

3. (a) The worker must enter information about the authorized representative in the Information Management System (IMS) using the computer transaction
EBTU before an EBT card is issued to an authorized representative. Instructions on how to complete an EBTU transaction can be found in the EBT section of the Tools, Tips, and Training link on the InfoNet at the Family Support Services Division (FSSD) Child Care Subsidy Web page.

(b) If the client wants to change authorized representatives, the prior authorized representative must be deactivated on EBTU before the new authorized representative can be entered. The new authorized representative must watch the client training video before receiving the EBT card.

4. Prior to issuing an EBT card to a foster parent, the worker must enter information about that foster parent in IMS using the EBTU transaction. Instructions on how to complete an EBTU transaction are found in the EBT section of the Tools, Tips, and Training link on the InfoNet at the FSSD Child Care Subsidy Web page.
340:40-10-2. Client, worker, and provider electronic benefit transfer (EBT) responsibilities

Revised 6-1-11

(a) **Client EBT responsibilities.** Client EBT responsibilities include:

1. Watching the client training video;

2. Swiping correct attendance days and times with his or her EBT card through the provider's point-of-service (POS) machine within ten days, current day and previous nine days;

3. Checking the message on the POS machine after each swipe to see if it is approved, denied, or pending. If the message shows denied or pending different provider, the client is responsible to report the problem to the worker right away;

4. Not swiping attendance for any day the child does not attend child care;

5. Not giving the EBT card or personal identification number (PIN) to anyone else, including the child care provider; and

6. Paying for care the Oklahoma Department of Human Services (OKDHS) does not pay because:

   A. The client did not swipe attendance timely for days and times his or her child attended child care;

   B. Swipes were denied and the client did not get them corrected within ten days; or

   C. The provider loses the absent day payment for a weekly authorization because the client did not swipe correct attendance for every day that the child attended care for a given month.

(b) **Worker EBT responsibilities.** Worker EBT responsibilities include:

1. Ensuring that the client reads and states he or she understands the EBT responsibilities shown on the application;

2. Arranging for the client to receive his or her EBT card and watch the training...
video as soon as possible after the child care request is submitted;

(3) if the client chooses an authorized representative, arranging for that person to receive his or her EBT card and watch the training video as quickly as possible;

(4) acting on swipe errors reported by the client as soon as they are reported; 1

(5) acting on reports of misuse of the EBT card per policy at OAC 340:40-10-3 as soon as they are reported.

(c) Provider EBT responsibilities. Provider responsibilities include:

1. (a) never being in possession of or swiping client's EBT card through the POS machine;

2. never moving the POS machine to another location without receiving prior written approval from OKDHS Family Support Services Division Child Care Section;

3. requiring clients to swipe attendance as care is used;

4. never asking or requiring a client to swipe attendance for a day the child does not attend; and

5. ensuring that claimed attendance submitted via the EBT system is correct and voiding any incorrect transactions within the ten day swipe limit, current day and previous nine days.

INSTRUCTIONS TO STAFF 340:40-10-2

Revised 6-1-11

1. (a) An approved message means the system accepted the swipe for payment processing. A pending message is received when the client enters a previous in or out swipe and is accepted for payment processing. A pending different provider message is saved by the system for possible future payment if care is authorized within 90 days. A denied message is not saved and can never be paid electronically. When a problem is resolved, the client must always swipe correct attendance for any denied time within ten days, current day, and previous nine days, to receive an approved message.

(b) If the client calls or comes to the human services center to report denied or pending error messages, the worker checks the EPPIC system to see what
error is occurring. Different error codes involve different solutions, so it is vital that the worker know the exact error. Information about how to use the EPPIC system, what error codes mean, and how to resolve error messages are found in the EBT section of the Tools, Tips, and Training link on the InfoNet at the Family Support Services Division (FSSD) Child Care web page.

(c) If it is past the ten day swipe limit before a problem is resolved, refer to OAC 340:40-10-4 for manual claim procedures.
340:40-10-3. Misuse of the electronic benefit transfer (EBT) card

Revised 6-1-11

(a) When the worker becomes aware that the client or the authorized representative of the client is misusing his or her EBT card, the worker cancels that EBT card.

(b) Misuse can occur when the client or authorized representative gives his or her EBT card to another person, such as the child care provider, to swipe attendance or when the client knowingly swipes incorrect attendance dates and times.

(c) Before the EBT specialist issues a new EBT card, the client or authorized representative must view the EBT training video regarding proper use of the EBT card again and sign Form 08EB005E, Access Oklahoma Card Violation.

INSTRUCTIONS TO STAFF 340:40-10-3

Revised 6-1-11

1. (a) The worker may become aware that the client is misusing his or her electronic benefit transfer (EBT) card in several ways. The most common are:

   (1) the client reports the problem;

   (2) someone observes EBT cards in the possession of the provider and reports it to the Oklahoma Department of Human Services (OKDHS) staff; or

   (3) the worker notices that swipes are occurring at different days and times than care is authorized.

(b) The worker:

   (1) talks to the client about any such allegation to determine why the violation happened and to ensure the client is aware of correct procedure;

   (2) asks the client to put all comments in written form; and

   (3) sends Form 19MP001E, Referral Form, to Office of Inspector General (OIG) regarding misuse of the EBT card and attaches any written documentation to the referral.

Revised 6-1-11

(a) Child care payments. The Oklahoma Department of Human Services (OKDHS) makes payments for child care services to providers electronically using the electronic benefit transfer (EBT) system unless the provider is an in-home provider. These providers are paid manually via the EBT system after submitting Form 10AD121E, Child Care Claim. ■ 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, the provider may submit Form 10AD121E or ask the client's worker to submit
Form 10EB004E, Report of EBT Child Care Payment Adjustments, to the Electronic Payment Services (EPS) Unit of the Finance Division for a manual adjustment. EPS staff evaluate whether to adjust payment to the provider based on the reason 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 or provider's control exist. These extenuating circumstances must be documented on Form 10AD121E.

(2) If the client swiped correct attendance times but swipes were denied in error, EPS staff makes manual adjustments.

(3) If the family share co-payment applied by the EBT system was incorrect, EPS staff makes manual adjustments.

(4) If the provider was paid the wrong rate because of incorrect coding of the child care plan, an incorrect birth date shown for a child, or an incorrect star status paid, EPS staff makes manual adjustments.

(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, Child Care Provider Rate Schedule, 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 also shown on OKDHS Appendix C-4-B.

INSTRUCTIONS TO STAFF 340:40-10-4

Revised 6-1-11

1. In-home providers are not issued point-of-service (POS) machines. Staff in the Family Support Services Division (FSSD) Child Care Subsidy Section mails a pad of Form 10AD121E, Child Care Claim, 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 or prints copies from the Provider Web at www.ebt.acs-inc.com/provider/ok.
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. Refer to OAC 340:40-13-5 for contracting information. The child care liaison contacts staff in the Electronic Payments Systems (EPS) 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. Providers **void** transactions for care given on the current day and the previous nine days.

4. (a) EPS staff makes manual adjustments once payments are made for the time period that the manual claim is requested.

(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, if 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 and 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 include a chart showing needed action.

5. Extenuating circumstances beyond the client’s or provider’s control are rare and include, but are not limited to, worker or system error. The provider must give a detailed explanation why it was beyond the client’s control to record attendance.

6. **Two examples are:**

   (1) 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; or

   (2) child care is reopened back to the first of the month after the tenth day
of that month. The worker sends Form 10EB004E to EPS 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 Child Care 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 EPS 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 EPS requesting a manual adjustment. Prior to sending the form, the worker corrects the problem. For a star status problem, the worker asks staff in the FSSD Help Desk 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. The OKDHS Appendix C-4-B, Child Care Provider Rate Schedule, shows the minimum number of days a child must attend to receive an absent day payment. If the child is approved for a weekly unit type, he or she must attend a minimum of 15 full-time days in a 30 day month 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.
340:40-13-5. Child care provider contracts

Revised 6-1-11

(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 Subsidy Section staff. 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 persons 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 Oklahoma Child Care Services (OCCS) licensing staff provides 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. Contracts are automatically renewed for successive one year terms, under the same terms and conditions, unless 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) **License and star status for child care centers and homes.** OKDHS does not contract with child care providers located out-of-state unless the provider had a contract in effect on January 1, 2010. ■ 1 Child care providers may only obtain an OKDHS contract after they are licensed or permitted. ■ 2

(1) A child care center requesting a contract must have a license or permit and have a one plus and higher star status. The child care center provider may sign Form 08CC001E if a one plus and higher star status shows on the child care licensing system (CCLS) within 30 calendar days.

(2) A child care home provider requesting a contract must have a license or a permit.

(A) If licensed, the child care home provider may sign Form 08CC001E if one
star status or higher shows on CCLS.

(B) If on permit, the child care home provider may sign Form 08CC001E if one star plus status or higher shows on CCLS within 30 calendar days.

(c) **Procedure for obtaining child care contracts.** The procedures in (1) through (5) of this subsection are used to obtain child care contracts.

(1) OCCS licensing staff gives the child care provider a flyer titled "Obtaining a Contract with OKDHS for Child Care Subsidy Payments." The provider is instructed to contact the child care liaison to obtain the compact disk (CD) titled "Orientation to Child Care Subsidy Contracts" for training and review of the contracting requirements. The CD includes instructions on how to complete the training, take the proficiency test, and print the certificate of completion.

(2) When contacted by the owner or authorized signor of a child care facility, the child care liaison explains that the owner or authorized signor must view the required training CD, pass the proficiency test, and provide the certificate of completion before signing a contract. 3 The date on the certificate of completion must be within 30 calendar days of the date the contract is signed. Directors are not required but are highly encouraged to view the training. 4

(3) Once the certificate of completion is provided, the child care liaison types all identifying information on Form 08CC001E. The child care liaison gives Form 08CC001E to the provider and explains that the earliest date a contract is valid is the date of approval by the OKDHS Director or designee. 5

(4) The owner or authorized signor signs the contract and returns the contract to the child care liaison. The owner or authorized signor must also provide:

(A) proof of his or her identity;

(B) a copy of the owner's or authorized signor's Social Security card; 6

(C) a copy of the Oklahoma State Bureau of Investigation (OSBI) background investigation report for the owner or authorized signor of a center or a child care home; 7

(D) proof of the employer identification number (EIN) for a child care center provider and any home provider who is not a sole proprietor; and

(E) a copy of the certificate of completion of the required CD training.
(5) The child care liaison sends Form 08CC001E, the Contract Routing Checklist, and the documents listed in (c)(4)(A-E) of this Section to the FSSD Child Care Subsidy Section staff for approval or denial.

(A) If approved, the FSSD Child Care Subsidy Section staff assigns a contract number and sends a copy of the signed contract back to the provider.

(B) If denied, the FSSD Child Care Subsidy Section staff sends a letter to the provider advising it is not in the best interest of OKDHS to contract with the provider.

(C) 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 Subsidy Section staff for denial.

(d) Changes that must be reported. Form 08CC001E advises child care providers of changes they must report to the FSSD Child Care Subsidy Section staff no less than 30 calendar days prior to the effective date of any changes. 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. Changes that must be reported include:

(1) collaborations or agreements;
(2) anticipated sale of the business;
(3) change of legal business entity;
(4) change of physical or mailing address;
(5) change in facility status;
(6) legal name change;
(7) plan to stop caring for children;
(8) change of phone number; and
(9) reduction of star status.

(e) Changes that do not require a new contract. Changes that do not require a new contract include a:
(1) legal name change;

(2) change of location. When a child care center or home provider changes the location of his or her child care business, the provider must notify FSSD Child Care Subsidy Section staff of the new location and sign a new license application agreeing to care for children at the new location. ▼10 The provider's license and contract remain open with the same:

(A) begin date;

(B) number assigned; and

(C) star status;

(3) facility status change from a child care home to a large child care home or from a large child care home to a child care home as long as the same license number is used; and

(4) facility status change from a child care home to a child care center or a child care center to a child care home if the business entity stays the same.

(f) Changes that require a new contract. Changes that require a new contract are included in (1) through (2) of this subsection. When a new contract is required, procedures in (c) of this Section are used to complete and submit child care contract requests.

(1) Change in ownership. ▼11 When the owner of a child care center or child care home changes, the new owner or authorized signor may sign Form 08CC001E if the: ▼2

(A) child care center:

(i) has a new license or permit application is pending; and

(ii) meets or is anticipated by OCCS licensing staff to meet one plus star status or higher within 30 calendar days; or

(B) child care home:

(i) has a new license application pending; and
(ii) is anticipated by OCCS licensing staff to meet one star status or higher within 30 calendar days.

(2) Change of legal business entity.  ▬ 12 Examples of changing legal business entity include changing from a sole proprietor to a corporation, partnership, or limited liability company.

(A) When a child care center changes the business entity, a new license application is required. A child care center provider may sign Form 08CC001E if the:

(i) new license or permit application is pending; and

(ii) provider meets or is anticipated by OCCS licensing staff to meet one plus status or higher within 30 calendar days.

(B) When a child care home changes the business entity, a new license application is required. A child care home provider may sign Form 08CC001E if the:

(i) license application is pending at any star status; or

(ii) permit application is pending and the provider meets or is anticipated by OCCS licensing staff to meet one plus status or higher within 30 calendar days.

(g) 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 may move children receiving subsidized child care benefits to an alternate center only after he or she receives prior approval in writing from the FSSD Child Care Subsidy Section staff 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 Subsidy Section staff may give approval when (1) through (4) are met.

(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 and the provider has adequate licensed capacity at the alternate site.

(3) There is a legitimate business reason for providing care in another location.
(4) The provider advises FSSD Child Care Subsidy Section staff how he or she is ensuring that parents are aware their children are being cared for at a different location.

(h) **Renewal of child care contracts.** Contracts automatically renew for successive one year terms, under the same terms and conditions, unless 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 complete required contract training or to provide any other information or documents requested during the contract renewal period.

(i) **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 (HSC) staff becomes aware that a provider is violating the terms of the contract, he or she sends an e-mail to FSSD Child Care Subsidy Section staff advising of the circumstances. HSC staff 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, as amended;

2. failing to maintain a drug-free workplace;

3. **operating over licensed capacity;**

4. possessing or swiping a client's electronic benefit transfer (EBT) card;

5. **knowing a client's personal identification number;**

6. refusing unlimited access by a parent or caretaker to the areas of the facility used for child care during the hours of operation;

7. 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 is recorded on the POS machine by the parent or caretaker during the school year;

8. charging a client receiving subsidized child care more than the OKDHS rate for days and hours within the client's plan of service;
(9) charging a client receiving subsidized child care an allowable fee not charged to non-OKDHS participants; ■ 15

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

(11) charging a client or requiring a client to swipe attendance for days and hours outside of client's plan of service when those days and hours are a requirement of the provider, not a choice of the client; ■ 14

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

(13) claiming or receiving payment from OKDHS for any hours of care the provider is not charging all parents for care because provider receives state or federal funds for those hours. Refer to OAC 340:40-5-1(7) for policy on collaborations;

(14) claiming payment for care given for any hours in an unlicensed collaborative classroom;

(15) moving the children from the agreed upon location shown in the contract for reasons other than field trips and claiming for services at the other location without prior written approval from the FSSD Child Care Subsidy Section staff;

(16) moving the POS machine without receiving prior written approval from the FSSD Child Care Subsidy Section staff per subsection (g) of this Section;

(17) 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;

(18) 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;

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

(20) not maintaining written attendance records which include in and out times for the last three years;
(21) refusing to make available to OKDHS all business records that document proper fiscal and program management by the provider within an hour of request by any OKDHS representative;

(22) failing to allow full access to the facility's premises and personnel to investigate a complaint;

(23) failing to report the income from the child care business within ten calendar days to his or her Family Support Services (FSS) worker if receiving benefits;

(24) claiming payment for care given by a home provider for his or her employee's child. Refer to OAC 340:40-5-1(7); ■ 16

(25) subcontracting services to another provider; and

(26) breaching the contract signed by the provider with the OKDHS EBT contractor.

(j) Cancellation of child care provider contracts. FSSD Child Care Subsidy Section staff initiates the cancellation by issuing a notice to the provider. ■ 17

(1) Contracts may be cancelled:

(A) with cause. The effective date of cancellation is 13 calendar days after FSSD staff mails 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 ■ 18

(B) without cause. The effective date of cancellation is 33 calendar days after FSSD staff mails the notice. This allows three calendar days for mailing time. ■ 19

(2) The FSSD Child Care Subsidy Section staff communicates with the child care liaison when a contract is being cancelled to ensure that HSC staff has 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 Subsidy Section staff closes all authorizations with the provider whose contract is cancelled except for Child Welfare (CW) authorizations. An e-mail is sent to the KIDS Help Desk notifying them of the contract cancellation requesting closure of CW authorizations.
INSTRUCTIONS TO STAFF 340:40-13-5

Revised 6-1-11

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

2. The child care liaison monitors the license status of all providers requesting a contract by accessing Oklahoma Child Care Services (OCCS) Licensing Services information on the Child Care Licensing System (CCLS). The CCLS is located on the InfoNet under OKDHS Tools. Refer to the Family Support Services Division (FSSD) Child Care Subsidy Section Web site for detailed instructions on accessing the CCLS. The child care provider gives his or her license number to the liaison. The liaison uses the provider number to access the provider's CCLS information. Once the provider's information is showing, the liaison chooses Report, Case Summary, and Case Action. The license status is found under the Case Action tab by reading the line titled "License/Permit Status" and the "effective date." The Star Status can be found by choosing the Case Summary Overview, Case Action, and Star tabs.

3. An owner or authorized signor is defined as the person who is designated to obligate the business. Refer to OKDHS Appendix L-7.

4. The "Orientation to Child Care Subsidy Contracts" training CD and the flyer titled, "Obtaining a Contract with OKDHS for Child Care Subsidy Payments," are given to the provider upon request at any time.

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

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

7. (a) In order to obtain a license, the owner or authorized signor of a child care facility must undergo an Oklahoma State Bureau of Investigation (OSBI)
background check. All providers applying for a new contract must provide a copy of his or her OSBI background check to the child care liaison. An existing OSBI background check will only be accepted if issued within the past 12 months. The OSBI background check must be a name based search and include all search results and dispositions.

(b) The OSBI background check is not required for providers that are making an entity or facility status change, as long as the person signing the contract remains the same.

(c) The FSSD Child Care Subsidy Section programs manager may waive the requirement for a federally recognized tribe that has a cooperative agreement with OCCS.

8. (a) FSSD Child Care Subsidy Section staff enters information about the provider on the Daycare Contracts/Registrations screen (PCU) on the Information Management System (IMS) when the contract is initially approved and as changes occur. FSSD Child Care Subsidy Section staff notifies 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 (HSC) staff of the new contract number and approval date for the contract.

(b) HSC staff accesses 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 provider's first name. The PCX transaction displays the names of all child care providers with those beginning letters. HSC staff enters 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 cursor over the gray ball.

(c) FSSD Child Care Subsidy Section staff sends a copy of the "Contracting with OKDHS for Child Care Subsidy Payments" handbook to the provider after contract approval.

9. FSSD Child Care Subsidy Section staff notifies the child care liaison by e-mail that the provider's contract request has been denied.

10. FSSD Child Care Subsidy Section staff changes the provider's address on IMS and sends an e-mail to OCCS licensing staff when address changes are reported.

11. OKDHS staff works to avoid or reduce any gap in the child care subsidy payment. If the new owner does not provide a contract and all required verifications to the FSSD Child Care Subsidy Section staff at least 30 calendar days prior to the ownership change, there may be a gap in the child care subsidy payment.

12. OKDHS staff works to avoid or reduce any gap in the child care subsidy payment. When the provider does not submit a contract and all required verifications to the FSSD Child Care Subsidy Section staff at least 30 calendar days prior to the business entity change, there may be a gap in the child care subsidy payment.

13. (a) FSSD Child Care Subsidy Section staff reviews 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) initiate a corrective action plan;

   (3) request that HSC staff completes Form 19MP001E, Referral Form, to start an investigation; or

   (4) decide to cancel the child care provider's contract.

(b) When FSSD Child Care Subsidy Section staff recommends completion of
Form 19MP001E, HSC staff puts 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 HSC staff attaches any written documentation that supports the allegation to the Form 19MP001E. When a client reports a violation, the client may provide a written statement.

14. 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.

15. Some examples of non-allowable fees are vacation fees when a child is absent or termination fees when the child stops attending the facility.

16. It is not a contract violation when a child in foster care attends the child care home prior to the child care provider or the child care provider's employee becoming the child's foster parent.

17. When OKDHS cancels a provider contract, FSSD Child Care Subsidy Section staff sends an e-mail regarding contract cancellation proceedings to:

   (1) OCCS;

   (2) Legal Division;

   (3) Finance Division Electronic Payment Systems (EPS) Unit;

   (4) Office of Inspector General (OIG);

   (5) Children and Family Services Division (CFSD);
(6) Department of Education, Child Care Food Program; and

(7) the local county director and child care liaison where the provider is located.

18. When OKDHS cancels a contract 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 FSSD Child Care Subsidy Section staff mails the notice to the provider.

19. (a) When OKDHS cancels a contract without cause and the child care facility was recently audited or investigated by OKDHS 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 met 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 FSSD Child Care Subsidy Section staff mails the notice to the provider. Reasons a contract might be cancelled following an OIG audit or investigation include violations listed at (i) of this Section.

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

   (1) OCCS staff revokes the provider's child care license;

   (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 as he or she was found to have committed fraud or willful misrepresentation;

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

   (6) it comes to the attention of FSSD Child Care Subsidy Section staff that a
provider has been debarred, suspended, disqualified, 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 benefit 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;

(11) the provider commits a contract violation brought to the attention of FSSD Child Care Subsidy Section staff and refuses to correct it; or

(12) the provider shows a history of non-compliance with OKDHS policies and procedures.