

**CHAPTER 3400**  
**DEPARTMENT OF HUMAN SERVICES**  
**CHILD CARE FUND**

3400 0020	DEFINITIONS	3400 0170	INCOME ELIGIBILITY FOR CHILD CARE ASSISTANCE
3400 0035	APPLICATION PROCEDURE	3400 0180	REDETERMINATION OF ELIGIBILITY
3400 0040	ELIGIBILITY REQUIREMENTS AND STANDARDS	3400 0183	TERMINATION OF CHILD CARE ASSISTANCE
3400 0060	BASIC SLIDING FEE PROGRAM	3400 0185	TERMINATION AND ADVERSE ACTIONS, NOTICE REQUIRED
3400 0080	MFIP CHILD CARE PROGRAM	3400 0187	RECOUPMENT AND RECOVERY OF OVERPAYMENTS
3400 0090	TRANSITION YEAR CHILD CARE	3400 0200	PAYMENTS TO COUNTIES OF ADMINISTRATIVE FUNDS
3400 0100	FAMILY COPAYMENT FEE SCHEDULE	3400 0230	RIGHT TO FAIR HEARING
3400 0110	CHILD CARE ASSISTANCE PAYMENTS	3400 0235	AT-HOME INFANT CHILD CARE PROGRAM
3400 0120	ELIGIBLE PROVIDERS AND PROVIDER REQUIREMENTS		
3400 0130	CHILD CARE PROVIDER RATES		
3400 0140	COUNTY RESPONSIBILITIES		

**3400.0020 DEFINITIONS.**

*[For text of subs 1 to 10, see MR ]*

Subp. 10a. **Authorized hours.** "Authorized hours" means the number of hours in a service period, not to exceed the maximum hour limit established in Minnesota Statutes, section 119B.09, subdivision 6, that may be paid for child care for a child.

*[For text of subs 11 to 18, see MR.]*

Subp 18a **DWP.** "DWP" means the diversionary work program established in Minnesota Statutes, section 256J.95

*[For text of subp 19, see MR ]*

Subp. 20 **Eligible relative caregiver.** "Eligible relative caregiver" means a person identified under Minnesota Statutes, section 256J 08, subdivision 11, (1) who is a caregiver of a child receiving a MFIP grant or (2) who is an MFIP participant and the caregiver of a child After an eligible relative caregiver begins receiving child care assistance, status as an eligible relative caregiver continues through all child care assistance programs until there is a break in the eligible relative caregiver's eligibility for child care assistance.

*[For text of subs 21 to 23, see MR.]*

Subp 24 **Family copayment fee.** "Family copayment fee" means the parent fee the family must contribute as its share of child care costs as determined under Minnesota Statutes, section 119B 12

*[For text of subs 25 to 32, see MR.]*

Subp. 32a. [Repealed, 33 SR 695]

*[For text of subp 32b, see MR ]*

Subp 33. **Overpayment.** "Overpayment" means the portion of a child care payment that is greater than the amount for which a recipient is eligible or greater than the amount a provider should have received

*[For text of subs 34 to 38a, see MR ]*

Subp 38b **Scheduled hours.** "Scheduled hours" means the specific days and hours during a service period that a child will attend child care as determined by the child care worker, the parent, and the provider based on the parents' verified eligible activities schedules, the child's school schedule, and any other factors relevant to the family's child care needs

Subp 39 **State median income.** "State median income" means the state's annual median income for a family of three, adjusted for family size, developed by the Bureau of Census and published annually by the United States Department of Health and Human Services in the Federal Register

Subp 40 **Student.** "Student" means an individual enrolled in an educational program as defined in Minnesota Statutes, section 119B 011, subdivision 11. A non-MFIP student is a full-time student if the student is defined by the student's educational institution as a full-time student. A non-MFIP student is a part-time student if the student is defined by the student's educational institution as a part-time student. A MFIP student is a student who is in compliance with the education or training requirements in the student's employment plan.

*[For text of subps 40a to 44, see M R ]*

**Statutory Authority:** *MS s 119B 02, 119B 04, 119B 06, 256 01*

**History:** *33 SR 695*

### 3400.0035 APPLICATION PROCEDURE.

Subpart 1 **Response to informational requests.** When a family asks for information about child care assistance, the administering agency must give the family information supplied by the department regarding the availability of federal and state child and dependent care tax credits, federal earned income tax credits, Minnesota working family credits, early childhood family education, school readiness, and Head Start programs, early childhood screening, MinnesotaCare, child care resource and referral services, other programs with services for young children and families; and the postsecondary child care grant program established in Minnesota Statutes, section 136A 125. The administering agency also must inform the family of the following items:

*[For text of items A to J, see M R ]*

Subp 2. **Application procedure.** An administering agency must follow the application procedures in items A and B.

*[For text of item A, see M R ]*

B. If a family requests child care assistance and funds are not available, the administering agency must inform the family of a waiting list, screen the family for potential eligibility, and place the family on the waiting list if they appear eligible. The administering agency must place the family on the waiting list in the highest priority for which the family is eligible. As child care funds become available, the administering agency must inform the family at the head of the waiting list and ask the family to complete an application.

*[For text of item C, see M R ]*

*[For text of subps 3 and 4, see M R ]*

Subp 5 **Notice of approval.** If the administering agency approves the application, the administering agency must send the applicant a notice of approval of the application. The notice of approval must specify the information in items A to I.

*[For text of items A to D, see M R ]*

E. except in cases where the license of a provider licensed by the state of Minnesota has been temporarily immediately suspended or where there is an imminent risk of harm to the health, safety, or rights of a child in care with a legal nonlicensed provider, license exempt center, or a provider licensed by an entity other than the state of Minnesota, any change in provider must be reported to the county and the provider at least 15 calendar days before the change occurs,

*[For text of items F to I, see M R ]*

Subp 6 **Notice to provider.** If the administering agency approves an application, the administering agency must send the family's authorized provider a notice containing only the following information: the family's name, the fact that the family's request for child care assistance has been approved, the hours of care authorized, the maximum rate that may be paid by the child care assistance program, the number of absent days that have been paid for the child for the year as of the date of the notice, and how payments will be made.

*[For text of subs 7 to 9, see M R ]*

**Statutory Authority:** *MS s 119B 02, 119B 04, 119B 06, 256 01*

**History:** *33 SR 695*

### **3400.0040 ELIGIBILITY REQUIREMENTS AND STANDARDS.**

*[For text of subs 1 and 2, see M R ]*

#### **Subp 3. Documentation of eligibility information.**

A. An applicant for child care assistance must document the

*[For text of subitems (1) to (5), see M.R ]*

(6) work, education, or training activity status for all applicants as defined in Minnesota Statutes, section 119B 011, subdivision 2

*[For text of item B, see M R ]*

C The county must determine an applicant's eligibility for child care assistance at the time of application The county must redetermine eligibility according to part 3400 0180

**Subp 4 Participant reporting responsibilities.** A participant must meet the reporting requirements in items A and B A participant may report a change in person, by telephone, by facsimile, or by mail, including electronic mail

*[For text of item A, see M R ]*

B Except in cases where the license of a provider licensed by the state of Minnesota has been temporarily immediately suspended or where there is an imminent risk of harm to the health, safety, or rights of a child in care with a legal, nonlicensed provider, license exempt center, or provider licensed by an entity other than the state of Minnesota, a participant must notify the county and the provider of the intent to change providers at least 15 calendar days before changing providers

**Subp 5 Employment, education, and training requirements.** In a family with a single parent, or unmarried legal guardian or eligible relative caregiver, the applicant or participant must meet employment, education, or training requirements and other eligibility requirements in this part and in part 3400 0060, 3400 0080, or 3400.0090 for the child care assistance program for which the family is applying or in which the family is participating.

In a family with more than one parent or any combination of parents, stepparents, legal guardians and spouses, and eligible relative caregivers and spouses, at least one parent, legal guardian, eligible relative caregiver, or spouse must meet employment, education, or training requirements and other eligibility requirements in this part and in part 3400 0060, 3400 0080, or 3400 0090 for the child care assistance program for which the family is applying or participating in The other parents, legal guardians, eligible relative caregivers, or spouses must.

*[For text of items A and B, see M R.]*

*[For text of subs 5a to 6b, see M R ]*

**Subp. 6c Date of eligibility for assistance.** The date of eligibility for child care assistance under parts 3400 0060 and 3400 0080 must be determined according to Minnesota Statutes, section 119B 09, subdivision 7 The date of eligibility for child care assistance under part 3400 0090 is the date the family's MFIP or DWP case was closed

**Subp 7 Maximum biweekly child care assistance.** A family may not receive more than 120 hours of child care assistance per child every two weeks

#### **Subp 8 Child care assistance during employment.**

*[For text of items A and B, see M.R ]*

C. When a participant does not work by the hour and is not paid an hourly wage, the participant's earned income over a given period must be divided by the minimum wage

to determine whether the participant has met the requirement to average at least 20 hours of work per week at minimum wage

D Child care assistance during employment shall be authorized for the number of hours scheduled to be worked, including break and meal time during the employment, and up to two hours per day for travel time

Subp. 9. **Child care assistance in support of employment.** A county must authorize child care assistance in support of employment for nonwork hours when the following conditions exist:

*[For text of items A and B, see M R ]*

Subp. 10 **Child care assistance during education or training.** Counties shall provide child care assistance to students eligible under part 3400.0060 or 3400.0080 and enrolled in county-approved education or training programs or employment plans according to items A to C

A. Counties must authorize child care for full-time students for the days of class and on nonclass days, if needed for study, as determined by the county; not to exceed the maximum biweekly child care allowed

B. Counties must authorize child care for part-time students as needed for:

(1) all hours of actual class time and credit hours for independent study and internships,

(2) time periods between nonconsecutive classes;

(3) up to two hours per day for travel time, and

(4) two hours per week per credit hour for postsecondary students for study and academic appointments

When a part-time student has more than one hour between classes on any one day, the study and academic appointment time authorized under subitem (4) shall be reduced by the number of hours between classes.

*[For text of item C, see M.R.]*

Subp. 11. **Child care assistance during employment and education or training.** Employed students, including students on work study programs, are eligible for child care assistance during employment and education or training. Counties shall use the standards in subparts 8 and 10 to determine the amount of child care assistance. When full-time students request child care for employment, the employment hours must average at least ten hours per week at minimum wage. For purposes of determining whether the ten hours at minimum wage requirement in this subpart applies to a student, a full-time student retains full-time status during school breaks, including summers, if the student is expected to return to school full time after the break. Students eligible for child care assistance under part 3400.0080 are exempt from the ten hours per week at minimum wage requirement if they have an approved employment plan that allows fewer work hours or a lower wage. For purposes of determining whether the ten hours at minimum wage requirement in this subpart has been met, work-study hours and income must be counted as employment.

Subp. 12 **Acceptable course of study.** An acceptable course of study for a student eligible under part 3400.0060 is an education or training program approved by the county that will reasonably lead to full-time employment opportunities as determined by the county. An acceptable course of study for a student eligible under part 3400.0080 is an approved education or training program described in the MFIP participant's employment plan.

*[For text of subp 13, see M R ]*

Subp. 14 **Maximum education or training under child care fund.** The maximum length of time a student is eligible for child care assistance under the child care fund for education or training is described in items A to D

*[For text of items A and B, see MR ]*

C A student eligible under part 3400 0060 who has completed or who has participated in but failed to complete an education or training program under the child care fund may receive child care assistance for a second education or training program if.

- (1) the new education or training program is approved by the county, and
- (2) the county expects that completing the program will lead to full-time employment

D A student eligible under part 3400 0060 with a baccalaureate degree may only obtain child care assistance for education or training if the education or training is for continuing education units, certification, or coursework that is related to the baccalaureate degree or current employment and that is necessary to update credentials to obtain or retain employment

*[For text of subps 15 to 17, see MR ]*

Subp 18 **Suspension.** Counties must suspend, and may not terminate, a family's child care assistance for up to one continuous year if there are temporary breaks when child care assistance is not needed or the family does not have an authorized provider but the family remains eligible for child care assistance

**Statutory Authority:** *MS s 119B 02, 119B.04, 119B 06, 256 01*

**History:** *33 SR 695*

### **3400.0060 BASIC SLIDING FEE PROGRAM.**

*[For text of subps 1 to 4, see MR ]*

Subp. 5 **Families eligible for assistance under the basic sliding fee program.** To the extent of available allocations, a family is eligible for child care assistance under the basic sliding fee program if

- A. the applicant meets eligibility requirements under part 3400.0040,
- B. the applicant is not a MFIP or DWP participant, and
- C. the family meets the income eligibility requirements specified in Minnesota Statutes, section 119B 09.

Subp 6 **Basic sliding fee program waiting lists.** Counties must keep a written record of families who have requested child care assistance. When a family requests information about child care assistance, the county shall perform a preliminary determination of eligibility. If it appears that a family is or will be eligible for child care assistance and funds are not immediately available, the family shall be placed on a child care waiting list. The county must determine the highest priority group for which a family qualifies and must notify the family of this determination.

Families who inquire or apply while they are temporarily ineligible shall be placed on the waiting list if it appears they will be eligible for child care assistance. When a family advances to the top of the county's waiting list and is temporarily ineligible for child care assistance, the county shall leave the family at the top of the list according to priority group and serve the applicant who is next on the waiting list unless a different procedure is provided in the county's child care fund plan

*[For text of subp 6a, see MR.]*

Subp 7 **Waiting list; transfer of transition year families to the basic sliding fee program.**

*[For text of items A to D, see MR ]*

E When the transition year ends, the county shall move the transition year family into the basic sliding fee program. A transition year family that does not come to the top of the county's basic sliding fee program waiting list before completion of the transition year shall be moved into the basic sliding fee program as funding becomes available according

to the priority under Minnesota Statutes, section 119B 03, subdivision 4 Transition year extension child care may be used to support employment or a job search that meets the requirements of Minnesota Statutes, section 119B 10, for the time necessary for the family to be moved from the basic sliding fee waiting list into the basic sliding fee program.

*[For text of subp 8, see M.R.]*

**Subp 9. County child care responsibility when family moves.**

A. When a family receiving child care assistance from the basic sliding fee program moves to a new county within Minnesota, the original county must continue to provide child care assistance for two full calendar months after the move if the family needs child care and remains eligible for the basic sliding fee program. The family is responsible for notifying the new county of residence within 60 days of moving and applying for basic sliding fee assistance in the new county The limitation in Minnesota Statutes, section 119B 09, subdivision 1, paragraph (a), clause (2), regarding the family's household income at program entry does not apply when a family receiving assistance moves to another county and timely applies under this item to continue receiving assistance in the new county

B If there is a waiting list for the basic sliding fee program in the receiving county when it assumes responsibility for the family, the receiving county must fund child care assistance for the family through the portability pool Portability pool funding must continue for the lesser of six months or until the family is able to receive assistance under the receiving county's basic sliding fee program. The family must also be added to the basic sliding fee program waiting list according to portability pool priority group in the receiving county effective the date of the move If the family reaches the top of the waiting list and funds become available before the six months have ended, the receiving county must immediately add the family to its basic sliding fee program If basic sliding fee funds are not available when the six months have ended, services to the family must be terminated The family must stay on the waiting list effective the date of the move. If funds become available after the family's child care assistance has been terminated due to the end of the portability pool period, the family must be treated as a new applicant and must have a household income that meets the income requirements in Minnesota Statutes, section 119B 09, subdivision 1, for program entry

*[For text of items C and D, see M.R.]*

**Subp 10 Continued eligibility under basic sliding fee program.** A county may not refuse continued child care assistance to a family receiving assistance under the basic sliding fee program when there is a change in the family's financial or household status provided that the family continues to meet the eligibility requirements in this part and the general eligibility requirements in part 3400.0040. Except for the job search time limit under Minnesota Statutes, section 119B 10, subdivision 1, paragraph (a), the education time limit in Minnesota Statutes, section 119B 07; and the time limit for the at-home infant care program in Minnesota Statutes, section 119B 035, subdivision 4, counties may not set a time limit for eligibility under the basic sliding fee program

**Statutory Authority:** *MS s 119B 02; 119B 04, 119B 06; 256 01*

**History:** *33 SR 695*

**3400.0080 MFIP CHILD CARE PROGRAM.**

**Subpart 1 Eligibility for MFIP child care program.** Persons listed in Minnesota Statutes, section 119B 05, subdivision 1, are eligible for the MFIP child care assistance program

**Subp. 1a Eligibility of sanctioned MFIP participant.** A MFIP participant eligible for child care assistance who has been sanctioned under the MFIP program may receive child care assistance

A for that portion of the participant's job search support or employment plan which the participant is complying with according to Minnesota Statutes, chapter 256J, or

B according to Minnesota Statutes, section 119B 05, subdivision 1, clause (1)

Subp 1b **Child care assistance for approved job search.** A MFIP participant who has an approved job search support plan or whose employment plan includes job search as an authorized activity is not limited to 240 hours of job search child care assistance in a calendar year

*[For text of subps 2 to 7, see MR ]*

Subp 8. **County responsibility when a family moves to another county.** When a MFIP or DWP participant moves to a new county and the new county accepts responsibility for the participant's approved job search support or employment plan under Minnesota Statutes, section 256J 55, subdivision 3, the new county is responsible for providing child care assistance to the MFIP or DWP participant effective on the date that the county accepted responsibility for the plan. In all other cases, child care assistance must be provided according to Minnesota Statutes, section 256G 07, when a MFIP or DWP participant moves to a new county

**Statutory Authority:** *MS s 119B 02, 119B 04; 119B 06, 256 01*

**History:** *33 SR 695*

### **3400.0090 TRANSITION YEAR CHILD CARE.**

Subpart 1 **Notice to family of eligibility.** The administering agency must notify a family, in writing, at the time the family's MFIP or DWP case closes of the family's potential eligibility for transition year child care. The notification must include information on how to establish eligibility for transition year child care and on the family's rights and responsibilities under the transition year child care program

Subp 2 **Eligibility.** Transition year child care assistance may only be used to support employment and job search related expenses. A family is eligible for transition year child care if the conditions in items A to D are met.

A The family's MFIP or DWP case has closed

B At least one caregiver in the family received MFIP or DWP in at least three of the six months immediately preceding the month in which the family's MFIP or DWP case was closed

C The family meets the income eligibility requirements specified in Minnesota Statutes, section 119B 09, subdivision 1

D Transition year child care may be paid for the care of a child who would have been eligible to receive a MFIP grant, or for children who would have been eligible for MFIP, except for the child's receipt of SSI or Title IV-E foster care benefits

Eligibility for transition year child care begins the first month after the family's MFIP or DWP case has closed and continues for 12 consecutive months. A family's temporary ineligibility for, suspension of, or failure to use child care assistance during the transition year does not suspend the transition year period. A former MFIP or DWP participant may apply for transition year child care any time during the transition year and, notwithstanding the application date, shall receive retroactive transition year child care assistance according to Minnesota Statutes, section 119B 09, subdivision 7. If a family was receiving child care assistance when the family's MFIP or DWP case closed, determination of eligibility for transition year child care assistance must be treated as a redetermination rather than a new application

Subp 3. **Loss of transition year child care eligibility.** A family in which all caregivers have been disqualified from receiving MFIP or DWP due to fraud is not eligible for transition year child care assistance

Subp 4 **Reestablishment of MFIP or DWP eligibility during transition year period.** If a transition year family reopens its MFIP or DWP case during the transition year period and subsequently meets the conditions in subpart 2, the family qualifies for a new 12-month transition year period. If the family received MFIP or DWP for only one or two of the previous six months, but meets the requirements in subpart 2, items A, C, and D,

the family is eligible for the remaining months of the transition year, treating the month or months on MFIP or DWP as a suspension of the child care benefit but not the transition year period. To receive child care assistance while receiving MFIP or DWP, the family must meet the MFIP child care requirements under part 3400.0080.

*[For text of subps 5 and 6, see M.R.]*

Subp. 7. [Repealed, 33 SR 695]

*[For text of subps 8 and 9, see M.R.]*

**Statutory Authority:** *MS s 119B.02; 119B 04, 119B 06, 256 01*

**History:** *33 SR 695*

### 3400.0100 FAMILY COPAYMENT FEE SCHEDULE.

*[For text of subps 1 and 2, see M.R.]*

Subp. 2a. **Copayment fees to be prorated during start-up service period.** Counties must prorate all copayment fees during the service period when the family first receives service based on the number of calendar days remaining in the service period.

*[For text of subps 2b to 4, see M.R.]*

Subp. 5. **Publication of fee schedule in State Register.** The department shall publish annually in the State Register the state median income for a family of three, adjusted for family size, and a fee schedule. This information must be published after the date the state median income is published in the Federal Register by the United States Department of Health and Human Services. The department shall also distribute a copy of the fee schedule and the updated estimate of state median income to each county. The updated fee schedule shall take effect on July 1 or on the first day of the first full quarter following publication of the state median income in the State Register if publication occurs after July 1.

**Statutory Authority:** *MS s 119B 02, 119B 04; 119B 06, 256 01*

**History:** *33 SR 695*

### 3400.0110 CHILD CARE ASSISTANCE PAYMENTS.

Subpart 1 **Payment options.** Counties must monitor child care payments to ensure that the funds are used for child care.

*[For text of subp 1a, see M.R.]*

Subp. 2. **Authorization before payment of legal nonlicensed providers.** After a legal nonlicensed provider is authorized by the county, the county must pay the provider or parent retroactive to the date in item A, B, or C that occurred most recently.

*[For text of items A to C, see M.R.]*

Subp. 2a. **Provisional payment for legal nonlicensed providers.**

A. When a legal nonlicensed provider who has been provisionally authorized under Minnesota Statutes, section 119B 125, subdivision 5, does not receive final authorization by the county, the provisional authorization and payment must be terminated following notice to the provider as required under part 3400.0185 and Minnesota Statutes, section 119B 13, subdivision 5. The county must notify the family using the ineligible provider that the family must choose a new provider to continue receiving child care assistance. A provider's failure to receive final authorization does not cause payments made during the provisional authorization period to be overpayments.

B. If a family appeals the adverse determination of provider eligibility and, while the appeal is pending, continues to use the provider who failed to receive final authorization, payments made after the notice period are subject to recovery as overpayments.

Subp. 3. **County authorization of child care.** Within the limits set by this chapter and Minnesota Statutes, chapter 119B, the amount of child care authorized must reflect the child care needs of the family and minimize out-of-pocket child care costs to the family. The amount of child care authorized must be based on the parents' schedule of participation in



authorized activities, the child's school schedule, the provider's availability, and any other factors that would affect the amount of care that the child needs. The county must pay the provider's full charge up to the applicable maximum rate for all hours of child care authorized and scheduled for the family. When more than 50 hours of child care assistance for one child are authorized with one provider in a week, the county may reimburse the provider in an amount that exceeds the applicable maximum weekly rate, if the provider charges the same amount for more than 50 hours of care for a family not receiving child care assistance. A county must not authorize or pay for more than 120 hours of child care assistance per child every two weeks. To convert child care paid on a full-day or weekly basis into hours to determine if payment exceeds 120 hours of child care assistance, counties must follow the standards in items A and B.

A A full-day is equal to ten hours of child care.

B A week is equal to 50 hours of child care.

Subp 4 [Repealed, 33 SR 695]

*[For text of subps 4a to 6, see M R ]*

**Subp 7 County payment policies and schedule.** A county may not require parents to pay providers in advance of receiving payments from the child care fund as a condition for receiving payments from the child care fund. The county shall make payments at least monthly. Providers must be sent the forms necessary to bill for payment on or before the beginning of the billing cycle if the county has received the information necessary for child care to be authorized before this date.

*[For text of subp 8, see M R ]*

**Subp 9 Payment during child absences and holidays.**

A. If a provider does not charge all families for days on which a child is absent from care, the child care assistance program must not pay that provider for days on which a child is absent from care.

B. If a provider charges all families for days on which a child is absent from care, the child care assistance program must pay that provider for child absent days according to Minnesota Statutes, section 119B.13, subdivision 7.

C. Provider charges for absent days in excess of the amount established by Minnesota Statutes, section 119B.13, subdivision 7, are the responsibility of the family receiving child care assistance.

D. A provider must be paid for holiday days according to Minnesota Statutes, section 119B.13, subdivision 7, paragraph (b). State or federal holidays are determined according to Minnesota Statutes, section 645.44, subdivision 5. A provider can be paid for a holiday day only if the provider meets the requirements in Minnesota Statutes, section 119B.13, subdivision 7, paragraph (b), the provider does not provide care on the holiday, and it is in the provider's policies to charge all families for the holiday. If care is available on the holiday, but the child is absent on that day, the day is an absent day. If a provider is closed on a cultural or religious holiday not identified in Minnesota Statutes, section 645.44, subdivision 5, a parent may substitute that holiday for one of the ten state and federal holidays identified in Minnesota Statutes, section 645.44, subdivision 5, if the parent gives notice of the substitution to the county before the holiday occurs or within ten days after the holiday.

E. The absent day provisions in this subpart and in Minnesota Statutes, section 119B.13, subdivision 7, including the limits on paid absent days and holidays, apply to child care assistance payments for child care provided during notice periods.

*[For text of subp 10, see M R ]*

Subp 11. **Payment during notice periods.** Child care assistance payments for child care provided during notice periods are subject to all payment rules and limits identified under this part

**Statutory Authority:** *MS s 119B.02, 119B.04; 119B.06, 256.01*

**History:** *33 SR 695*

### 3400.0120 ELIGIBLE PROVIDERS AND PROVIDER REQUIREMENTS.

Subpart 1 **Eligible providers.** Providers who meet the definition of provider in Minnesota Statutes, section 119B.011, subdivision 19, are eligible for payment from the child care fund. Within the limitations specified in Minnesota Statutes, sections 119B.09, subdivision 5, and 119B.25, parents may choose child care providers that best meet the needs of their family. Parents may choose more than one provider. A county may not deny a parent eligible for child care assistance the use of a provider holding a valid child care license.

*[For text of subp 1a, see M.R.]*

Subp. 1b. [Repealed, 33 SR 695]

#### Subp 2 **Authorization of legal nonlicensed providers.**

A. A legal nonlicensed provider must be authorized by the county before the provider or parent may receive a payment under the child care fund. To be authorized by the county, a provider must provide the county with the following information:

- (1) the provider's name, age, and address;
- (2) the provider acknowledgment required by subpart 1a;
- (3) an assurance that the provider is eligible to provide unlicensed care under Minnesota Statutes, section 245A.03, subdivision 2, paragraph (a);
- (4) a release to permit information on substantiated parental complaints concerning the health and safety of children in the provider's care to be disclosed to the public according to Minnesota Statutes, chapter 13,
- (5) an assurance that the provider is in compliance with state and local health ordinances and building and fire codes applicable to the premises where child care is provided, and
- (6) an acknowledgment that the parent and the legal nonlicensed provider have reviewed the health and safety information provided by the county.

*[For text of items B and C, see M.R.]*

Subp. 2a **Release for in-home providers.** To be authorized, an in-home provider must sign a release allowing the parent employing that provider to see information on the remittance advice about the amount of any funds being withheld from the payment for the provider and the reason for those withholdings.

*[For text of subs 3 and 4, see M.R.]*

Subp. 5 **Notice to county required when care has terminated.** When a provider knows that a family has ended care with the provider, the provider must notify the county that care has been terminated. When a provider believes that a family will be ending care with the provider, the provider must immediately notify the county of the date on which the provider believes the family will end care. A provider must also notify the county if a child or children have been absent for more than seven consecutive scheduled days.

**Statutory Authority:** *MS s 119B.02, 119B.04; 119B.06, 256.01*

**History:** *33 SR 695*

### 3400.0130 CHILD CARE PROVIDER RATES.

Subpart 1 **Rate determination.** The commissioner shall determine the applicable maximum rate as described in Minnesota Statutes, section 119B.13. Any rate survey conducted by the commissioner shall include a survey of registration fees when it is usual and customary for a category of provider to charge registration fees.

Subp 1a **Maximum county child care assistance rate.** Except as provided in this part, the maximum rate that a county may pay for child care assistance is the provider's rate or the applicable maximum rate determined by the commissioner under Minnesota Statutes, section 119B.13, whichever is less. Except as provided in this part, if the provider's rate is more than the applicable maximum rate, the county may not pay more than the difference between the applicable maximum rate and the family's copayment fee.

Subp 2 **Rate determination for license-exempt centers.** Rates paid to license-exempt centers as defined in Minnesota Statutes, section 245A.03, subdivision 2, must be the applicable maximum rate for licensed child care centers or the provider rate, whichever is less.

*[For text of subps 2a and 3, see M.R.]*

Subp 3a **Rate determination; children with special needs due to disability.** When a parent or a provider asks the county for a special needs rate for an individual child with disabilities that exceeds the applicable maximum rate, the county must use the following process to determine whether a special needs rate is necessary and, if so, to establish the requested special needs rate. The county must:

*[For text of items A to C, see M.R.]*

*[For text of subps 3b and 4, see M.R.]*

Subp 5 **Child care rate.** Child care payments shall be based on the applicable maximum rates in the county where care is provided when the care is provided in Minnesota. When child care is provided outside the state of Minnesota, the maximum rate must be based on the applicable maximum rate in the participant's county of residence. If a child remains in an age-based child care setting beyond the age at which the licensing laws would allow that child to move to a different age-based child care setting and (1) the child's age is within the range allowed by the licensing laws for that age-based child care setting, or (2) the child is in that age-based child care setting due to a licensing variance, the maximum rate paid for that child's care must be the rate for the age-based child care setting in which the child is located. A child is considered to be in the school-age rate category on the September 1 following the child's fifth birthday unless the parent informs the county that the child will not be starting school. All changes to provider rates shall be implemented on the Monday following the effective date of the rate change.

Subp 5a **Rates for in-home care.** When care is provided in the child's home, the applicable maximum rate must be based on the allowable rate for legal nonlicensed family child care.

*[For text of subps 6 to 10, see M.R.]*

**Statutory Authority:** *MS s 119B.02, 119B.04, 119B.06, 256.01*

**History:** 33 SR 695

### **3400.0140 COUNTY RESPONSIBILITIES.**

*[For text of subps 1 to 3, see M.R.]*

Subp 4 **Determination of providers eligible for payments.** The county's process for approving providers eligible for payments under the child care fund may not exceed 30 calendar days, or 45 calendar days with the approval of the applicant, from the date the child care application is approved, the date the child care provider is selected by the applicant, or, the date the county received the results of the background investigation required by Minnesota Statutes, section 119B.125, subdivision 2, whichever is later. Reimbursement for child care expenses must be made according to the date of eligibility established in part 3400.0040, subpart 6c. If the county determines that a provider chosen by an applicant is not eligible to receive child care payments under the child care fund, the applicant may appeal the county's determination under part 3400.0230.

Subp. 5 **Additional information for legal nonlicensed providers.** The county shall provide each authorized legal nonlicensed family child care provider health and safety material supplied by the department and shall refer the provider to the child care resources and referral agency. The county must tell the provider that the county is required to keep a record of substantiated parental complaints concerning the health and safety of children in the care of legal nonlicensed providers and that, upon request, information governing substantiated complaints shall be released to the public as authorized under Minnesota Statutes, chapter 13.

Subp. 5a. [Repealed, 33 SR 695]

Subp. 6. **Duties upon receipt of complaints against legal nonlicensed providers.** Within 24 hours of receiving a complaint concerning the health or safety of children under the care of a legal nonlicensed provider, a county must relay the complaint to

A. the county's child protection agency if the complaint alleges child maltreatment as defined in Minnesota Statutes, section 626.556, subdivision 10e,

B. the county's public health agency if the complaint alleges a danger to public health due to communicable disease, unsafe water supply, sewage or waste disposal, or building structures,

C. local law enforcement if the complaint alleges criminal activity that may endanger the health or safety of children under care; or

D. other agencies with jurisdiction to investigate complaints relating to the health and safety of a child.

If a complaint is substantiated under item A, the county must keep a record of the substantiated complaint as provided in Minnesota Statutes, section 626.556. If a complaint is substantiated under items B to D, the county must keep a record of the substantiated complaint for three years. Upon request, information governing substantiated complaints shall be released to the public as authorized under Minnesota Statutes, chapter 13. Upon receiving notice of a substantiated complaint under items A to D, the county shall not make subsequent payments to that provider from the child care fund for child care services provided by that provider unless the conditions underlying the substantiated complaint have been corrected.

Subp. 7 **County contracts and designation of administering agency.** Counties may contract for the administration of all or part of the child care fund. The county shall designate the agency authorized to administer the child care fund in the county's child care fund plan. The county must describe in its child care fund plan how it will oversee the contractor's performance.

*[For text of subs 8 to 18, see M R ]*

Subp. 19 [Repealed, 33 SR 695]

*[For text of subp 20, see M R ]*

**Statutory Authority:** *MS s 119B 02, 119B 04, 119B.06, 256 01*

**History:** *33 SR 695*

### 3400.0170 INCOME ELIGIBILITY FOR CHILD CARE ASSISTANCE.

*[For text of subs 1 to 3, see M.R.]*

Subp. 4 **Determination of annual income.** The income standard for determining eligibility for child care assistance is annual income. Annual income is the sum of earned income, self-employment income, unearned income, and lump sum payments, which must be treated according to subpart 13. Negative self-employment income must be included in the determination of annual income, resulting in a reduction in total annual income. Earned income, self-employment income, unearned income, and lump sum payments must be calculated separately.

**Subp. 5 Earned income of wage and salary employees.** Earned income means earned income from employment before mandatory and voluntary payroll deductions. Earned income includes, but is not limited to, salaries, wages, tips, gratuities, commissions, incentive payments from work or training programs, payments made by an employer for regularly accrued vacation or sick leave, payment for jury duty, and profits from other activity earned by an individual's effort or labor. Earned income includes uniform, mileage, and meal allowances if federal income tax is deducted from the allowance. Earned income includes flexible work benefits received from an employer if the employee has the option of receiving the benefit or benefits in cash. Earned income received by persons employed on a contractual basis must be prorated over the period covered by the contract even when payments are received over a lesser period of time. When housing is provided as part of the total work compensation, the fair market value of such housing shall be considered as if it were paid in cash.

**Subp. 6 Excluded income.** The administering agency shall exclude items A to H from annual income.

*[For text of items A to H, see MR ]*

**Subp. 6a Deductions from income.** The following items must be deducted from annual income.

*[For text of items A and B, see MR ]*

**Subp. 7 Earned income from self-employment.** In determining annual income for purposes of eligibility under this part, the administering agency shall determine earned income from self-employment. Earned income from self-employment is the difference between gross receipts and authorized self-employment expenses which may not include expenses under subpart 8. Self-employment business records must be kept separate from the family's personal records. If the person's business is a partnership or a corporation and that person is drawing a salary, the salary shall be treated as earned income under subpart 5.

**Subp. 8 Self-employment deductions which are not allowed.** In determining eligibility under this part, self-employment expenses must be subtracted from gross receipts. For purposes of this subpart, the document in items I to K is incorporated by reference. It is available through the Minitex interlibrary loan system. It is subject to frequent change. If the document in items I to K is amended, and if the amendments are incorporated by reference or otherwise made a part of state or federal law applicable to self-employment deductions, then the amendments to the document are also incorporated by reference into this subpart. However, the expenses listed in items A to P shall not be subtracted from gross receipts.

*[For text of items A to H, see MR ]*

**I** monthly expenses for each roomer greater than the flat rate deduction listed in the current Combined Program Manual issued by the Department of Human Services;

**J** monthly expenses for each boarder greater than the flat rate deduction listed in the current Combined Program Manual issued by the Department of Human Services;

**K.** monthly expenses for each roomer-boarder greater than the flat rate deduction listed in the current Combined Program Manual issued by the Department of Human Services,

*[For text of items L to P, see MR ]*

*[For text of subps 9 to 11, see MR ]*

**Subp. 12 Determination of unearned income.** Unearned income includes, but is not limited to, the cash portion of MFIP or DWP, adoption assistance received under Minnesota Statutes, section 259.67, relative custody assistance received under Minnesota Statutes, section 257.85, interest, dividends, unemployment compensation, disability insurance payments, veteran benefits, pension payments, child support and spousal support received or anticipated to be received by a family including child support and maintenance distributed

to the family under Minnesota Statutes, section 256.741, subdivision 15, insurance payments or settlements, retirement, survivor's and disability insurance (RSDI) payment, and severance payments. Expenditures necessary to secure payment of unearned income are deducted from unearned income. Payments for illness or disability, except for those payments described as earned income in subpart 5, are considered unearned income whether the premium payments are made wholly or in part by an employer or by a recipient.

Subp. 13. **Treatment of lump sum payments.** Lump sum payments received by a family must be considered earned income under subparts 7 to 11 or unearned income according to subpart 12. Nonrecurring lump sums that are earmarked and used for the purpose for which they are paid are not to be included in the determination of income. All other lump sums are to be annualized over 12 months. The sale of property including, but not limited to, a residence is not considered income up to the amount of the original purchase price plus improvements.

**Statutory Authority:** *MS s 119B 02, 119B.04, 119B 06, 256 01*

**History:** *33 SR 695*

### 3400.0180 REDETERMINATION OF ELIGIBILITY.

A. The county must redetermine each participating family's eligibility at least every six months. The county must redetermine the eligibility of families in the start-up phase of self-employment without an approved employment plan more frequently than once every six months if existing documentation is insufficient to accurately predict self-employment income. If a family reports a change in an eligibility factor before the family's next regularly scheduled redetermination, the county must recalculate eligibility without requiring verification of any eligibility factor that did not change.

*[For text of item B, see M.R.]*

C. If redetermination establishes that a family is ineligible for further child care assistance, the county shall terminate the child care assistance as provided in part 3400.0185. If redetermination establishes the need for a change in the family's copayment, revisions shall be calculated according to part 3400.0100. When a change in income affects the amount of a participant's copayment, the new copayment amount is effective on the first day of the service period following the 15-day notice period.

D. If a family timely reports the information required by part 3400.0040, subpart 4, and redetermination establishes a need for a change in the amount of the family's child care assistance, the amount of child care assistance paid to the family between the date the change was reported and the first date that the new child care assistance payment would be effective if the county properly implemented the change does not constitute an overpayment.

**Statutory Authority:** *MS s 119B 02, 119B 04; 119B.06, 256 01*

**History:** *33 SR 695*

### 3400.0183 TERMINATION OF CHILD CARE ASSISTANCE.

#### Subpart 1 **Conditions for termination of child care assistance.**

A. A county may terminate child care assistance for families already receiving assistance when the county receives: (1) a revised allocation from the child care fund that is smaller than the allocation stated in the notice sent to the county under part 3400.0030, and (2) such short notice of a change in its allocation that the county could not have absorbed the difference in the allocation. The county must consult with and obtain approval from the commissioner before terminating assistance under this subpart.

*[For text of item B, see M.R.]*

*[For text of subp 2, see M.R.]*

Subp. 3 [Repealed, 33 SR 695]

Subp. 4 [Repealed, 33 SR 695]

Subp 5 **Effective date of disqualification period.** The effective date of a disqualification period is the later of

*[For text of items A and B, see MR ]*

**Statutory Authority:** *MS s 119B 02, 119B.04, 119B 06, 256 01*

**History:** *33 SR 695*

### **3400.0185 TERMINATION AND ADVERSE ACTIONS; NOTICE REQUIRED.**

#### **Subpart 1 Notice of termination of child care assistance to participants.**

*[For text of item A, see MR ]*

B If child care assistance under part 3400 0060 is being terminated because a participant has moved to another county, the notice also must state that to continue receiving child care assistance under part 3400 0060 from the new county, the participant must apply for child care assistance in the new county within 60 days of the move

*[For text of items C and D, see MR ]*

#### **Subp. 2 Notice of termination of child care assistance to providers.**

*[For text of item A, see MR ]*

B When a family stops using a provider but continues to receive assistance, the county must send the provider a notice containing the following information:

- (1) the family's name,
- (2) that the family has decided to stop using that provider;
- (3) the effective date that child care assistance payments will end, and
- (4) that child care payments will no longer be made effective on the date of termination

C. This item applies to participants using a provider licensed by the state of Minnesota. Except in cases where the provider's license has been temporarily immediately suspended under Minnesota Statutes, section 245A 07, the county must mail the notice to the participant at least 15 calendar days before terminating payment to the provider. When the provider's license has been temporarily immediately suspended under Minnesota Statutes, section 245A 07, the county must send a notice of termination to the provider that is effective on the date of the temporary immediate suspension.

D. This item applies to participants using a legal nonlicensed provider, license exempt center, or provider licensed by an entity other than the state of Minnesota. Except in cases where there is an imminent risk of harm to the health, safety, or rights of a child in care, the county must mail the notice to the provider at least 15 calendar days before terminating payment to the provider. In cases where there is an imminent risk of harm to the health, safety, or rights of a child in care, the county must send a notice of termination that is effective on the date of the notice. Whether there is an imminent risk of harm is determined by the county that authorized the provider for the family.

*[For text of subp 3, see MR ]*

Subp 4 **Notice to providers of actions adverse to families.** The county must give a provider written notice of the following actions adverse to families: a reduction in the hours of authorized care and an increase in the family's copayment. The notice must include only the following information:

*[For text of items A to D, see MR ]*

Subp 5 **Notice to providers of actions adverse to the provider.** The county must give a provider written notice of the following actions adverse to the provider: a denial of authorization, a termination of authorization, a reduction in the number of hours of care with that provider, and a determination that the provider has an overpayment. The notice must include the following information:

- A a description of the adverse action,

B. the effective date of the adverse action, and

C a statement that unless a family appeals the adverse action before the effective date or the provider appeals the overpayment determination, the adverse action will occur on the effective date. The notice must be mailed to the provider at least 15 calendar days before the effective date of the adverse action.

**Statutory Authority:** *MS s 119B 02; 119B 04, 119B 06; 256 01*

**History:** *33 SR 695*

### 3400.0187 RECOUPMENT AND RECOVERY OF OVERPAYMENTS.

Subpart 1. **State recovery of overpayments.** The commissioner must recover from counties any state or federal money that was spent for persons found to be ineligible for child care assistance, except as provided in Minnesota Statutes, section 119B 11, subdivision 3.

Subp 1a [Repealed, 33 SR 695]

Subp. 2. **Notice of overpayment.** The county must notify the person or persons assigned responsibility for the overpayment of the overpayment in writing. A notice of overpayment must specify the reason for the overpayment, the time period in which the overpayment occurred, the amount of the overpayment, and the right to appeal the county's overpayment determination.

*[For text of subp 3, see M R.]*

Subp 4. **Recoupment of overpayments from participants.** If the redetermination of eligibility indicates the family remains eligible for child care assistance, the county must recoup the overpayment by reducing the amount of assistance paid to or on behalf of the family for every service period at the rates in item A, B, C, or D until the overpayment debt is retired.

A When a family has an overpayment due to agency or provider error, the recoupment amount is one-fourth the family's copayment or \$10, whichever is greater

B When the family has an overpayment due to the family's first failure to report changes as required by part 3400.0040, subpart 4, the recoupment amount is one-half the family's copayment or \$10, whichever is greater

C When a family has an overpayment due to the family's failure to provide accurate information at the time of application or redetermination or the family's second or subsequent failure to report changes as required by part 3400 0040, subpart 4, the recoupment amount is one-half the family's copayment or \$50, whichever is greater

D When a family has an overpayment due to a violation of Minnesota Statutes, section 256 98, subdivision 1, as established by a court conviction, a court-ordered stay of conviction with probationary or other terms, a disqualification agreement, a pretrial diversion, or an administrative disqualification hearing or waiver, the recoupment amount equals the greater of

- (1) the family's copayment;
- (2) ten percent of the overpayment, or
- (3) \$100.

*[For text of item E, see M R.]*

F If a family has more than one overpayment, the overpayments must not be consolidated into one overpayment. Instead, each overpayment must be recouped according to the schedule specified in this subpart from the child care benefit paid for the service period. If the amount to be recouped in a service period exceeds the child care benefit paid for that



service period, the amount recouped must be applied to overpayments in the following order

(1) payment must first be applied to the oldest overpayment being recouped under item D and then to any other overpayments to be recouped under this item according to the age of the claim,

(2) payment then must be applied to the oldest overpayment being recouped under item C and then to any other overpayments to be recouped under this item according to the age of the claim,

(3) payment then must be applied to the oldest overpayment being recouped under item B and then to any other overpayments to be recouped under this item according to the age of the claim, and

(4) payment then must be applied to the oldest overpayment being recouped under item A and then to any other overpayments to be recouped under this item according to the age of the claim.

Subp 5 [Repealed, 33 SR 695]

Subp 6 **Recoupment of overpayments from providers.** If the provider continues to receive child care assistance payments, the county must recoup the overpayment by reducing the amount of assistance paid to the provider for every payment at the rates in item A, B, or C until the overpayment debt is retired

A. When a provider has an overpayment due to agency or family error, the recoupment amount is one-tenth the provider's payment or \$20, whichever is greater

B. When a provider has an overpayment due to the provider's failure to provide accurate information, the recoupment amount is one-fourth the provider's payment or \$50, whichever is greater

C. When a provider has an overpayment due to a violation of Minnesota Statutes, section 256 98, subdivision 1, as established by a court conviction, a court-ordered stay of conviction with probationary or other terms, a disqualification agreement, a pretrial diversion, or an administrative disqualification hearing or waiver, the recoupment amount equals the greater of

- (1) one-half the provider's payment,
- (2) ten percent of the overpayment, or
- (3) \$100

D. This item applies to providers who have been disqualified from or are no longer able to be authorized by the child care assistance program and who have outstanding overpayments. If a provider returns to the child care assistance program as a provider or a participant, the county must begin recouping the provider's outstanding overpayment using the recoupment schedule in items A to D unless another repayment schedule has been specified in a court order

E. If a provider has more than one overpayment, the overpayments must not be consolidated into one overpayment. Instead, each overpayment must be recouped according to the schedule specified in this subpart from the payment made to the provider for the service period. If the amount to be recouped in a service period exceeds the payment to the provider for that service period, the amount recouped must be applied to overpayments in the following order.

(1) payment must first be applied to the oldest overpayment being recouped under item C and then to any other overpayments to be recouped under this item according to the age of the claim;

(2) payment then must be applied to the oldest overpayment being recouped under item B and then to any other overpayments to be recouped under this item according to the age of the claim, and

**3400.0187 CHILD CARE FUND**

72

(3) payment then must be applied to the oldest overpayment being recouped under item A and then to any other overpayments to be recouped under this item according to the age of the claim.

**Statutory Authority:** *MS s 119B.02, 119B.04; 119B.06, 256.01*

**History:** *33 SR 695*

**3400.0200 PAYMENTS TO COUNTIES OF ADMINISTRATIVE FUNDS.**

The commissioner shall make administrative funds payments to the counties on a monthly basis. The commissioner may certify an advance to the counties for the first quarter of the fiscal year or the first quarter of the allocation period. Subsequent payments made to the counties for administrative expenses shall be based on actual expenditures as reported by the counties in the financial and program activity report required under part 3400.0140, subpart 14.

**Statutory Authority:** *MS s 119B.02; 119B.04; 119B.06; 256.01*

**History:** *33 SR 695*

**3400.0210** [Repealed, 33 SR 695]**3400.0230 RIGHT TO FAIR HEARING.**

Subpart 1. [Repealed, 33 SR 695]

Subp. 2 [Repealed, 33 SR 695]

Subp. 3 **Child care payments when fair hearing is requested.**

*[For text of item A, see M.R.]*

B. If the commissioner finds on appeal that child care assistance should have been terminated or the amount of benefits reduced, the county must send a notice of termination or reduction in benefits effective the date of the notice to the family and the child care provider.

*[For text of item C, see M.R.]*

**Statutory Authority:** *MS s 119B.02, 119B.04; 119B.06, 256.01*

**History:** *33 SR 695*

**3400.0235 AT-HOME INFANT CHILD CARE PROGRAM.**

Subpart 1 **Purpose and applicability.** This part governs the administration of the at-home infant child care program. All provisions in parts 3400.0010 to 3400.0230 apply to the at-home infant child care program unless otherwise specified in this part or in Minnesota Statutes, section 119B.035.

Subp. 2. **Administration of at-home infant child care program.** Within the limits of available funding the commissioner shall make payments for expenditures under the at-home infant child care program. Participation in the statewide pool shall be determined based on the order in which requests are received from counties. Following the birth or arrival of an infant, counties shall submit family requests for participation in the at-home infant child care program on forms provided by the commissioner. The commissioner shall respond within seven days to county inquiries about the availability of funds. The commissioner shall monitor the use of the pool and if the available funding is obligated, the commissioner shall create a waiting list of at-home infant child care referrals from the counties. As funds become available to the pool, the commissioner shall notify counties in which eligible families on the waiting list reside.

Subp. 3 **General eligibility requirements.** Items A to E govern eligibility for the at-home infant child care program.

A. A family is eligible to receive assistance under the at-home infant child care program if one parent provides full-time care for the infant. The eligible parent must meet the requirements of Minnesota Statutes, section 119B.035, subdivision 3. The requirements

of caring for the infant full-time may be met by one or both parents. For purposes of this part, eligible parents include birth parents, adoptive parents, and stepparents. Nonfamily members may provide regular care for the child but are limited to a maximum of ten hours of care per week.

B. A family may apply for the at-home infant child care program before the child is born or anytime during the infant's first year. The family must apply before the end of the infant's first year to receive an at-home infant child care subsidy. Following the birth of a child, a family is eligible to receive a subsidy under the at-home infant child care program according to the date of eligibility in Minnesota Statutes, section 119B 09, subdivision 7, and when funding is available. A family shall only receive subsidy payments through the infant's twelfth month. "Infant" means a child from birth through 12 months of age and includes adopted infants.

C. A family is limited to a lifetime total of 12 months of at-home infant child care assistance. At the time of application to the program, the parent or parents must declare whether they have previously participated in the at-home infant child care program. If the parent or parents declare that they have participated in the at-home infant child care program, the commissioner shall, at the request of the county, inform the county of the remaining months of eligibility for the at-home infant child care program.

D. At the time of application to the at-home infant child care program, the family must meet the eligibility requirements in Minnesota Statutes, section 119B 035, subdivision 2, and be income-eligible based on these activities. At the time of application to the at-home infant child care program, a family who is not currently participating in the basic sliding fee program must provide verification of participation in an authorized activity within the nine months before the birth or expected arrival of the child.

E. During the period a family receives a subsidy under the at-home infant child care program, the family is not eligible to receive basic sliding fee child care assistance for the infant or any other child in the family.

**Subp. 4. Continued eligibility under basic sliding fee program.** If families exiting the at-home infant child care program request continued child care assistance and meet all eligibility factors for the basic sliding fee program, the provisions in Minnesota Statutes, section 119B 035, subdivision 4, paragraph (c), apply.

**Subp. 5. Assistance payments.** Items A to C govern assistance payments under the at-home infant child care program.

A. The number of months of at-home infant child care participation used shall be credited to the eligible parents. If an eligible parent later forms a new family, the number of months of at-home infant child care subsidy received shall be subtracted from the maximum assistance available under this part.

B. There is no additional subsidy for infants with special needs or for multiple births. The county must subtract the family's copayment required by Minnesota Statutes, section 119B.12, to determine the final at-home infant child care subsidy for the family.

*[For text of item C, see M.R.]*

D. For purposes of counting the number of months that a family has participated in the at-home infant child care program, any portion of a month in which a family receives a subsidy under the at-home infant child care program is considered a full month of participation in the at-home infant child care program.

For purposes of calculating the at-home infant child care program copayment and subsidy in the first service period, the county shall use the method described in part 3400 0100. In addition, the county shall prorate the subsidy received in the first and last service period of participation according to subitems (1) to (4).

(1) If the family participates in the at-home infant child care program during the service period in which the infant is born or arrives in the home, the subsidy must be

prorated to cover the number of calendar days from the date of birth or arrival until the end of the service period.

(2) If the family participates in the at-home infant child care program during the service period of the infant's first birthday, the subsidy must be prorated to cover the number of calendar days from the beginning of the service period to the date of the infant's first birthday

(3) If the eligible parent leaves employment or another authorized activity in order to participate in the at-home infant child care program, the subsidy must be prorated to cover the number of calendar days from the date the eligible parent leaves the authorized activity to the end of the service period

(4) If the eligible parent returns to an authorized activity and will no longer be participating in the at-home infant child care program, the subsidy must be prorated to cover the number of calendar days from the beginning of the service period to the date the parent returns to the authorized activity. If all other eligibility conditions are met, the family shall be eligible to receive basic sliding fee child care assistance beginning on the day the eligible parent returns to the authorized activity.

Subp. 6. **County responsibilities.** Items A to C govern county responsibilities for the program

A In addition to duties required under parts 3400.0140 and 3400.0160, counties shall perform the following functions to administer the at-home infant child care program

*[For text of subitems (1) to (5), see M R.]*

(6) notify the commissioner when a family's participation in the at-home infant child care program ends

B During program participation, the county shall apply billing procedures established under Minnesota Statutes, chapter 119B, to issue the at-home infant child care subsidy to families.

*[For text of item C, see M R.]*

Subp. 7 [Repealed, 33 SR 695]

**Statutory Authority:** *MS s 119B 02, 119B 04, 119B 06, 256 01*

**History:** *33 SR 695*