

3400.0110 CHILD CARE ASSISTANCE AUTHORIZATIONS AND PAYMENTS.

Subpart 1. **Use of money from child care fund.** A CCAP agency must issue child care assistance payments for eligible families to eligible child care providers under part 3400.0120, subpart 1, from the child care fund.

Subp. 1a. **Date of payments.** After a CCAP agency approves of a family's application for child care assistance, the CCAP agency must authorize payment of child care assistance to an eligible child care provider under part 3400.0120 beginning on the family's date of eligibility as determined under part 3400.0040, subpart 6c.

Subp. 2. **Payment of legal nonlicensed child care provider.** After a legal nonlicensed child care provider is registered as a child care provider and eligible for child care assistance under part 3400.0120, a CCAP agency must pay the child care provider retroactively from the date in item A, B, C, or D, whichever is later:

A. the date that a CCAP agency authorizes child care to begin for a family that the legal nonlicensed child care provider serves;

B. the date that a family that the legal nonlicensed child care provider serves became eligible for child care under part 3400.0040, subpart 6c;

C. the date that a family began using the legal nonlicensed child care provider; or

D. the date that the legal nonlicensed child care provider completed training required by part 3400.0120, subpart 6, and Minnesota Statutes, section 119B.125, subdivision 1b.

Subp. 2a. [Repealed, 47 SR 391]

Subp. 2b. **Payment of certified license-exempt child care centers.** After a license-exempt child care center is certified under Minnesota Statutes, chapter 245H, registered, and eligible under part 3400.0120, subpart 1, a CCAP agency must pay the license-exempt child care center retroactively from the date in item A or B, whichever is later:

A. the date that a CCAP agency authorizes child care for a family to begin for a family that the certified license-exempt child care center serves; or

B. the date that a family that the certified license-exempt child care center serves became eligible for child care under part 3400.0040, subpart 6c.

Subp. 3. **Authorization of child care.** Within the limits set by this chapter and Minnesota Statutes, chapter 119B, the amount of child care that a CCAP agency authorizes must reflect the child care needs of the family and minimize out-of-pocket child care costs to the family according to items A to H.

A. At the time of application and redetermination, a CCAP agency must authorize child care based on the requirements in Minnesota Statutes, section 119B.095, and based on the parentally responsible individual's schedule of participation in authorized activities, the child's school schedule,

the child care provider's availability, and any other factors that affect the amount of child care that the family needs.

B. A CCAP agency must not authorize more than 120 hours of child care assistance per child every two weeks, except as provided under subparts 3a and 3b.

C. A CCAP agency must not decrease the amount of a 12-month reporter's authorized child care during the 12-month eligibility period due to a temporary break or a change in the parentally responsible individual's employment, education and training, or employment plan activity, unless the 12-month reporter requests a reduction in authorized hours or requests that the CCAP agency suspend the 12-month reporter's child care under part 3400.0040, subpart 18. Temporary breaks or changes include circumstances such as:

- (1) medical leave;
- (2) seasonal employment fluctuations;
- (3) a school break between semesters; or
- (4) a reduction in the parentally responsible individual's work, training, or education hours while the parentally responsible individual is still engaged in the activity.

D. A CCAP agency must authorize child care during the 12-month eligibility period for a schedule reporter based on the parentally responsible individual's activity schedule. A CCAP agency must decrease the number of a schedule reporter's authorized hours when there is a change in the parentally responsible individual's employment, education and training, or employment plan activity and as a result of the change, the schedule reporter needs fewer hours of child care. A CCAP agency must terminate a child care authorization when there is a temporary break in the parentally responsible individual's employment, education and training, or employment plan activity and the parentally responsible individual has no other authorized activity, unless the parentally responsible individual meets the criteria in subpart 10 or part 3400.0040, subpart 10, item E, subitem (1). Temporary breaks include circumstances such as:

- (1) a medical leave;
- (2) seasonal employment fluctuations; and
- (3) a school break between semesters.

E. If a parentally responsible individual experiences a permanent end of the parentally responsible individual's only authorized activity under part 3400.0175, a CCAP agency must authorize the same amount of child care for the family as the family received before the permanent end of the authorized activity for up to three months or until the family's next redetermination, whichever is sooner.

F. A CCAP agency must terminate a child's child care authorization on the child's birthday when the child reaches 13 years of age or the child has a disability and reaches 15 years of age. A family remains eligible until redetermination under Minnesota Statutes, section 119B.09, subdivision 1, paragraph (e). If continued child care is necessary, the parentally responsible individual must

request a CCAP agency to authorize child care. For 12-month reporters, a CCAP agency must authorize the same amount of child care under this item as the family received before the child's birthday, unless the parentally responsible individual verifies that the family needs additional child care hours or requests fewer child care hours. For schedule reporters, a CCAP agency must authorize child care under this item based on the parentally responsible individual's verified activity schedule. If the child is attending a licensed child care center, the child care provider must have a variance under chapter 9503 for a CCAP agency to authorize child care for the child.

G. A CCAP agency must authorize 100 hours of child care biweekly for a child when the child, the parentally responsible individual's authorized activity, and the child's child care provider meet the criteria in Minnesota Statutes, section 119B.13, subdivision 3c, unless the family chooses to have fewer hours authorized.

H. A CCAP agency must limit the amount of child care that the CCAP agency authorizes with a secondary child care provider as provided in Minnesota Statutes, section 119B.097.

Subp. 3a. **Authorization during change in child care provider.** A CCAP agency must not authorize more than 120 hours of child care per child during each service period, except during a change in child care provider. Before authorizing a child's care with a new child care provider, a CCAP agency must give the previous child care provider proper notice under part 3400.0185, subpart 13. A CCAP agency is allowed to authorize child care with a new child care provider before the CCAP agency terminates the child care authorization of the previous child care provider if:

- A. child care is no longer available with the previous child care provider;
- B. the previous child care provider notifies the CCAP agency that the child care provider will not bill for child care during the 15-day adverse action period; or
- C. the child is no longer receiving child care from the previous child care provider and the child has reached the absent day limit under Minnesota Statutes, section 119B.13, subdivision 7.

Subp. 3b. **Authorization of child care with back-up child care provider.** When the child's usual child care provider is unavailable, the family may request that a CCAP agency authorize child care with a back-up child care provider for a maximum of the entire time period that the child's usual child care provider is unavailable.

Subp. 3c. **Authorization of children of child care center employee.**

A. When a CCAP agency authorizes child care in excess of the limit of children of child care center employees in Minnesota Statutes, section 119B.09, subdivision 9a, the CCAP agency must issue a 15-day adverse action notice and terminate the authorization of any child in excess of the limit. The CCAP agency must terminate the authorization of the child or children whose child care was most recently authorized until there are no authorizations in excess of the limit.

B. If a parentally responsible individual becomes a child care center employee at the same child care center where the individual's child is authorized to receive child care and the child care center exceeds the limit of children of child care center employees in Minnesota Statutes, section

119B.09, subdivision 9a, the CCAP agency must issue a 15-day adverse action notice and terminate authorization of the individual's child.

Subp. 3d. Child care payment.

A. A CCAP agency must pay a child care provider's full charge up to the applicable maximum rate, less the copayment, for all authorized hours of child care for a child.

B. A CCAP agency must not pay for more than 120 hours of child care assistance per child per service period. The 120-hour payment limit applies during a change in child care provider under subparts 3a and 3b.

C. Except as provided under subpart 8, a CCAP agency must not pay for the care of a child by more than one child care provider during the same period of time. If a child uses two child care providers under Minnesota Statutes, section 119B.097, the payment limits in Minnesota Statutes, section 119B.13, subdivision 1, apply. A CCAP agency must not pay more than one primary child care provider for care of a child on the same day and must not pay more than one secondary child care provider on the same day.

D. All hourly rates that a CCAP agency pays to a legal nonlicensed child care provider count toward the 120-hour limit.

E. A CCAP agency must follow the standards in subitems (1) and (2) to convert child care that a CCAP agency pays on a full-day or weekly basis into hours to determine if a payment exceeds 120 hours of child care assistance per service period for licensed and certified license-exempt child care providers. The agency must ensure that:

- (1) payment at the daily maximum rate is equal to ten hours of child care; and
- (2) payment at the weekly maximum rate is equal to 50 hours of child care.

Subp. 4. [Repealed, 33 SR 695]

Subp. 4a. **Reimbursement from other sources for child care costs.** A CCAP agency must reduce the amount of a family's child care assistance payment by the amount of reimbursement earmarked for the same child care expenses that the family receives from sources other than the child care fund. A CCAP agency must not reduce the amount of a family's child care assistance payments when another source pays for different child care expenses, such as copayments, differences between the applicable maximum rate and the child care provider's charge, or time periods that are not authorized under the child care fund.

Subp. 5. [Repealed, 26 SR 253]

Subp. 6. [Repealed, 26 SR 253]

Subp. 7. **Payment policies and schedule.** A CCAP agency must not require a parentally responsible individual to pay a child care provider in advance of receiving payments from the child care fund. A CCAP agency must make child care assistance payments within 21 days of receiving a complete bill from a child care provider. A complete bill must include a child care provider's

signature, unless the bill meets the good cause criteria defined in the CCAP agency's child care fund plan. A CCAP agency must send a child care provider the forms necessary to bill for payment on or before the beginning of the billing cycle if the CCAP agency has authorized child care before this date.

Subp. 8. Sick child care.

A. Sick child care means that a child is unable to receive child care from the family's regular child care provider due to the child's illness. In addition to making payments for regular child care, a CCAP agency may make payments to a second child care provider that provides sick child care. A CCAP agency must include the CCAP agency's policy to make payments to two child care providers when a child is sick in the CCAP agency's child care fund plan.

B. If a CCAP agency chooses to pay a special needs rate for the care of a sick child, payment for sick child care must be at a rate comparable to like care arrangements in the county. A CCAP agency must include the CCAP agency's special needs rate for child care of sick children in the CCAP agency's child care fund plan.

Subp. 9. Payment during child absences and holidays.

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

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

C. Child care 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 CCAP agency must pay a child care provider for a holiday only if:

(1) the child care provider meets the requirements in Minnesota Statutes, section 119B.13, subdivision 7, paragraph (d);

(2) the day is a state or federal holiday as determined according to Minnesota Statutes, section 645.44, subdivision 5, or another cultural or religious holiday designated by the child care provider;

(3) the child care provider does not provide child care on that day;

(4) the child care provider gives notice of the holiday or other designated day to the CCAP agency before the holiday or designated day occurs or within ten calendar days after the day occurs; and

(5) the child care provider bills the day as a holiday.

If child care is available on a holiday and a child is scheduled and authorized to be in the child care provider's care on that day and the child is absent on that day, the child care provider must bill the day as an absent day.

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.

F. A parentally responsible individual may substitute other cultural or religious holidays for the ten state and federal holidays identified in Minnesota Statutes, section 645.44, subdivision 5, if:

(1) the parentally responsible individual gives notice of the substitution to a CCAP agency before the holiday occurs or within ten calendar days after the holiday; and

(2) the substitution is for a day when the child care provider is closed and does not provide child care, and the child care provider agrees to bill the day as a holiday and notify the CCAP agency according to item D, subitem (4).

G. If a holiday falls on a Saturday, the preceding day is used as a holiday. If a holiday falls on a Sunday, the following day is used as a holiday.

H. A child with a documented medical condition may exceed the 25-absent-day limit, or ten consecutive full-day absent limit, as provided by Minnesota Statutes, section 119B.13, subdivision 7, paragraph (b). The following criteria apply.

(1) A medical practitioner, public health nurse, or school nurse must complete documentation of the child's medical condition. For purposes of this item, a medical practitioner includes a physician, physician's assistant, nurse practitioner, psychiatrist, psychologist, or chiropractor.

(2) If a child care provider sends a child home early from child care for a medical reason, documentation of the medical condition may be verified by a licensed or certified child care center director or child care center lead teacher. When the medical reason is verified by the child care center director or lead teacher, the exemption is limited to up to two weeks from the first day of the child's illness. To extend the exemption longer than two weeks, a person listed in subitem (1) must complete documentation of the child's medical condition.

(3) The exemption may begin on the first day of the child's illness, but not more than 90 days prior to the date that the CCAP agency receives documentation of the child's illness. When documentation is submitted by a medical practitioner, public health nurse, or school nurse, the exemption is limited to the time period of the child's medical condition or up to 12 months if the exemption is due to a chronic medical condition.

Subp. 10. Payment during medical leaves of absence. A CCAP agency must authorize child care assistance for a schedule reporter during the schedule reporter's medical leave of absence from education, employment, or authorized activity in an employment plan if:

A. the parentally responsible individual is unable to provide child care due to the individual's medical condition;

B. the parentally responsible individual is expected to return to authorized employment, an approved education or training program, or employment plan activity within 90 calendar days after leaving the job, education or training program, or activity; and

C. the necessity of the medical leave and the inability to provide child care are documented by a licensed physician, licensed psychiatrist, licensed psychologist, or licensed social worker.

The amount of child care authorized during the medical leave of absence must not exceed 215 hours of child care per child.

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.

Subp. 12. **Payment for child care provided at short-term alternate locations.** When child care is not available at a certified license-exempt child care center where a CCAP agency has authorized a child to receive child care assistance and the child receives child care at an alternate location, a CCAP agency must make child care assistance payments under the child's current authorization if the following criteria are met:

A. the alternate location is a certified license-exempt child care center;

B. the alternate location is registered to receive child care assistance;

C. the alternate location is controlled by the same entity as the authorized certified license-exempt child care center and has the same tax identification number;

D. the alternate location is identified by the authorized certified license-exempt child care center as an alternate location before a CCAP agency issues payment for child care that the child receives at the alternate location;

E. child care is unavailable at the certified license-exempt child care center where the child is authorized to receive child care;

F. the child receives child care for no more than 21 consecutive calendar days at the alternate location; and

G. the alternate location fulfills all child care assistance program requirements in this chapter and Minnesota Statutes, chapter 119B, and all certification requirements in Minnesota Statutes, chapter 245H.

Statutory Authority: *MS s 119B.02; 119B.04; 119B.06; 256.01; 256H.01 to 256H.19*

History: *14 SR 519; 18 SR 1144; 26 SR 253; 33 SR 695; 47 SR 391*

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