TO: DIRECTORS, LOCAL DEPARTMENTS OF SOCIAL SERVICES
DEPUTY/ASSISTANT DIRECTORS FOR FAMILY INVESTMENT
FAMILY INVESTMENT SUPERVISORS AND ELIGIBILITY STAFF
PURCHASE OF CHILD CARE PROGRAM ADMINISTRATORS

FROM: ROBERT J. EVERHARD, EXECUTIVE DIRECTOR, FIA
LINDA HEISNER, EXECUTIVE DIRECTOR, CCA

RE: PURCHASE OF CARE (POC) INCOME CHANGES

PROGRAM AFFECTED: PURCHASE OF CARE (POC)

ORIGINATING OFFICE: CHILD CARE ADMINISTRATION
OFFICE OF PROGRAM DEVELOPMENT

SUMMARY:

Effective May 1, 2000, the Child Care Administration is making regulatory and/or procedural changes to the Purchase of Care (POC) program. This action transmittal provides information about four of the changes:

1. Income Eligibility Guidelines:

   An increase in income limits for eligibility from 40% to 45% of the State Median Income by adding two new income levels: I and J.

2. Income Disregard for Adults with Physical Custody of a Child:
   COMAR 07.04.06.02B.(1-3)

   A disregard of $2,200 of a family's annual income per child who is in physical custody and using POC.

3. Income Disregard for Minor Parents:

   A disregard of $2,200 of a family's annual income per child of a minor parent who is using POC.
4. Copayment Cap:

The copayment is eliminated for the fourth and subsequent children in a family.

ACTION REQUIRED:

1. Income Eligibility Guidelines:

Continue to follow current policy in considering income sources and documentation of income, but apply the new income eligibility guidelines (See attached Income Eligibility Scale)

2. Income Disregards for Adults with Physical Custody of a Child:

Case managers are to indicate on CCAMIS the $2,200 disregard for each eligible child. Eligible children include:

- Children in physical custody who will receive POC – not the natural or adopted children of the caretaker

The family’s gross annual income will be adjusted accordingly and the income eligibility guidelines will be applied to the adjusted family income. The disregard is to be documented in the case record.

NOTE: Only one case is to be established when the casehead is receiving POC for her/his natural or adopted children AND children in physical custody.

3. Income Disregards for Minor Parents:

A minor parent is defined as a parent under the age of 18. Case managers are to indicate on CCAMIS the $2,200 disregard for each eligible child. Eligible children include children of the minor parent who will receive POC, not other children in the family

The family’s gross annual income will be adjusted accordingly and the income eligibility guidelines will be applied to the adjusted family income. The disregard is to be documented in the case record.

NOTE: Although the minor parent is the casehead, the family income includes income from all eligible members of the household.
4. Copay Cap:

Parental copayments are assessed for three or fewer children in a family who are receiving Purchase of Child Care services. TCA applicants and recipients and SSI recipients remain exempt from parental copayments for all children.

- The youngest child in care is considered the first child and is assessed the highest copayment.
- The second child in care, who is the next oldest, is assessed a lower copayment.
- The third child in care, who is the next oldest in age to the second child, is assessed the same copayment amount as the second child.
- No copayment is assessed for the fourth and subsequent children who are the oldest children for whom POC is requested.

When the case manager enters the application on CCAMIS, the system will generate the copayment for the vouchers based on the dates of birth of the children.

NOTE: If the casehead applies for POC for a new baby, the worker must expire all vouchers, enter the newborn child on the case and issue new vouchers for all of the children so that the sequencing of children based on age is correct.

CCAMIS PROCEDURES:

1. Income Eligibility Guidelines:

There are no procedural changes for entering family income on CCAMIS. The system will determine eligibility and copayment level based on the new income guidelines.

2. Income Disregards for Adults with Physical Custody of a Child:

The worker indicates on the Case Identity Screen that the customer is an adult with physical custody of a child. The worker indicates on the Other Household Members Screen the correct number of children who are eligible for the disregard. On the Milestone Screen, the system will display the Gross Annual Income, any adjustment for the disregard, and the Net Annual Income.
3. Income Disregards for Minor Parents:

When the worker enters the casehead’s date of birth on the Case Identity Screen, the system will default to “Yes” for the data element inquiring whether the casehead is a minor parent, if the birthdate entered makes the casehead less than 18 years of age. The worker indicates on the Other Household Members Screen the correct number of children who are eligible for the disregard. On the Milestone Screen, the system will display the Gross Annual Income, any adjustment for the disregard, and the Net Annual Income.

4. Copay cap:

There are no procedural changes for entering the children in the Child Record on CCAMIS. The system will assign copayments for vouchers based on the dates of birth of the children in the household requiring POC.

ACTION DUE:

The changes are effective May 1, 2000 for new applicants. For current customers, implementation will occur at the first interim change that results in a new voucher or at case redetermination after May 1, 2000, whichever occurs first.

INQUIRIES:

Direct policy inquiries to Anne Webster or Pamela Evans. Direct CCAMIS inquiries to Anne Webster. Anne Webster’s telephone number is 410.767.7815, her e-mail address is awebster@dhr.state.md.us. Pamela Evans’ telephone number is 410.767.7845, her e-mail address is pevans@dhr.state.md.us.

cc: DHR Executive Staff
    FIA Management Staff
    CCA Management Staff
    CCA Office of Program Development Staff
    Constituent Services
    OIM Help Desk
(3) Copayments for a Child Up to 24 Months Old in Family Care or Center Care:

   (a) First (Youngest) Child in Care:

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<th>Copayment Level</th>
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<th>Region V</th>
<th>Region W</th>
<th>Region X</th>
<th>Region Y</th>
<th>Region Z</th>
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   (b) Second and Third Children in Care:

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<th>Region W</th>
<th>Region X</th>
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   (c) No Copayment is assessed for subsequent children in a family who are:

   (i) The oldest children in the family pursuant to Regulation .08A(3), and

   (ii) Receiving POC services.