

COMMENT DUE DATE: September 6, 2024

Date: August 22, 2024

Joshua Edwards, Programs Supervisor	580-362-7188
Holli Kyker, Programs Administrator	405-982-2217
Brandi Smith, Policy Specialist	405-521-3638

It is important that you provide your comments regarding the **draft copy** of policy by the comment due date. Comments are directed to *STO.LegalServices.Policy@okdhs.org. The proposed policy is **EMERGENCY**.

SUBJECT:

Chapter 40. Child Care Subsidy Program

Subchapter 3. Initial Application

340:40-3-1 [AMENDED]

Subchapter 5. Child Care Plan

340:40-5-1 [AMENDED]

Subchapter 7. Eligibility

340:40-7-1 [AMENDED]

340:40-7-7 [AMENDED]

340:40-7-8 [AMENDED]

340:40-7-10 [AMENDED]

Subchapter 9. Procedures Relating to Case Changes

340:40-9-1 [AMENDED]

340:40-9-2 [AMENDED]

340:40-7-1 [AMENDED]

Subchapter 13. Child Care Rates and Provider Issues

340:40-13-5 [AMENDED]

(Reference WF 24-13)

SUMMARY:

The proposed amendments to Chapter 40, Subchapter 3 amend the rules to: (1) update acronyms; (2) remove reference to synchronization of child care benefits with other Oklahoma Human Services (OKDHS) benefits; (3) add when a household requests child care benefits outside of regular business hours the application's or request's submission date is the next day OKDHS is open; and (4) add when a household is applying for child care subsidy benefits, the household must meet the entry income eligibility threshold.

The proposed amendments to Chapter 40, Subchapter 5 amend the rules to: (1) add that child care subsidy households must not exceed the income eligibility thresholds at application or renewal; and (2) add clarifying language.

The proposed amendments to Chapter 40, Subchapter 7 amend the rules to: (1) add that child care subsidy households must not exceed the income eligibility thresholds at application or renewal; and (2) add clarifying language; (3) add that a

parent or caretaker must be employed at least 20 hours a week to meet the employment need factor; (4) update terminology; (5) add that the client must be making at least minimum wage for self-employment work performed regardless of length of time of self-employment; (6) remove that a licensed home child care provider may only be approved for child care subsidies when the client's own child places the home provider over maximum licensed capacity; (7) add that a client attending a formal education program must be enrolled in at least 6 credit hours to meet the need factor for child care subsidy; (8) add that a household must report when income exceeds the exit income threshold in the middle of an eligibility period; and (9) add that there are two income eligibility thresholds for child care subsidy eligibility, one at application and another at renewal.

The proposed amendments to Chapter 40, Subchapter 9 are amended to: (1) update terminology; (2) remove references to synchronization of other OKDHS benefits with Child Care Subsidy; (3) add the graduated phase out of subsidized care; (4) update a previous error; (5) update that the worker closes child care effective the last day of the month when a household exceeds the exit income eligibility threshold; and (6) add when a client has requested voluntary closure of child care benefits, at any time during the previously established 12-month eligibility period, the worker reopens the child care benefits using the current eligibility information on the case regardless of whether the child care benefit has been closed in excess of 30-calendar days.

The proposed amendments to Chapter 40, Subchapter 13 are amended to: (1) change all references of two-star statuses to three-star; and (2) update acronyms.

Emergency rulemaking approval is requested.

Emergency rulemaking is requested because the proposed amendments are necessary to comply with provisions in the Child Care and Development Block Grant CCDBG Act of 2014. In addition, the proposed amendments address changes needed as a result of funding challenges. Oklahoma received federal funding to support the childcare industry during the pandemic; however, those funds were depleted in May 2024. These rule changes are needed to return the state to the current budgeted amount for the childcare program and the increased number of participants in the childcare subsidy program.

LEGAL AUTHORITY:

Director of Human Services; Section 162 of Title 56 of the Oklahoma Statutes (56 O.S. § 162)



OKLAHOMA DEPARTMENT OF HUMAN SERVICES



Rule Impact Statement

To: Programs administrator
Legal Services - Policy

From: Brittany Lee, Child Care Services (CCS) Director
Child Care Services

Date: July 19, 2024

Re: Chapter 40. Child Care Subsidy Program

Subchapter 3. Initial Application

340:40-3-1 [AMENDED]

Subchapter 5. Child Care Plan

340:40-5-1 [AMENDED]

Subchapter 7. Eligibility

340:40-7-1 [AMENDED]

340:40-7-7 [AMENDED]

340:40-7-8 [AMENDED]

340:40-7-10 [AMENDED]

Subchapter 9. Procedures Relating to Case Changes

340:40-9-1 [AMENDED]

340:40-9-2 [AMENDED]

340:40-7-1 [AMENDED]

Subchapter 13. Child Care Rates and Provider Issues

340:40-13-5 [AMENDED]

(Reference WF 24-13)

Contact: Joshua Edwards, Program Manager, (580)362-7188

A. Brief description of the purpose of the proposed rule:

Purpose.

The proposed amendments to Chapter 40, Subchapter 3 amend the rules to: (1) update acronyms; (2) remove reference to synchronization of child care benefits with other Oklahoma Human Services (OKDHS) benefits; (3) add when a household requests child care benefits outside of regular business hours the application's or request's submission date is the next day OKDHS is open; and (4) add when a

household is applying for child care subsidy benefits, the household must meet the entry income eligibility threshold.

The proposed amendments to Chapter 40, Subchapter 5 amend the rules to: (1) add that child care subsidy households must not exceed the income eligibility thresholds at application or renewal; and (2) add clarifying language.

The proposed amendments to Chapter 40, Subchapter 7 amend the rules to: (1) add that child care subsidy households must not exceed the income eligibility thresholds at application or renewal; and (2) add clarifying language; (3) add that a parent or caretaker must be employed at least 20 hours a week to meet the employment need factor; (4) update terminology; (5) add that the client must be making at least minimum wage for self-employment work performed regardless of length of time of self-employment; (6) remove that a licensed home child care provider may only be approved for child care subsidies when the client's own child places the home provider over maximum licensed capacity; (7) add that a client attending a formal education program must be enrolled in at least 6 credit hours to meet the need factor for child care subsidy; (8) add that a household must report when income exceeds the exit income threshold in the middle of an eligibility period; and (9) add that there are two income eligibility thresholds for child care subsidy eligibility, one at application and another at renewal.

The proposed amendments to Chapter 40, Subchapter 9 are amended to: (1) update terminology; (2) remove references to synchronization of other OKDHS benefits with Child Care Subsidy; (3) add the graduated phase out of subsidized care; (4) update a previous error; (5) update that the worker closes child care effective the last day of the month when a household exceeds the exit income eligibility threshold; and (6) add when a client has requested voluntary closure of child care benefits, at any time during the previously established 12-month eligibility period, the worker reopens the child care benefits using the current eligibility information on the case regardless of whether the child care benefit has been closed in excess of 30-calendar days.

The proposed amendments to Chapter 40, Subchapter 13 are amended to: (1) change all references of two-star statuses to three-star; and (2) update acronyms.

Strategic Plan Impact.

The proposed amendments are necessary to comply with provisions in the Child Care and Development Block Grant CCDBG Act of 2014. In addition, the proposed amendments address changes needed as a result of funding challenges. Oklahoma received federal funding to support the childcare industry during the pandemic; however, those funds were depleted in May 2024. These rule changes are needed to return the state to the current budgeted amount for the childcare program and the increased number of participants in the childcare subsidy program.

Substantive changes.

Subchapter 3. Initial Application

Oklahoma Administrative Code (OAC) 340:40-3-1 is amended to: (1) update acronyms; (2) remove reference to synchronization of child care benefits with other OKDHS benefits; (3) add when a household requests child care benefits outside

of regular business hours the application or request date is the next day OKDHS is open; and (4) add when a household of applying for child care subsidy benefits the household must meet the entry income eligibility threshold.

Subchapter 5. Child Care Plan

OAC 340:40-5-1 is amended to: (1) add that child care subsidy households must not exceed the income eligibility thresholds at application or renewal; and (2) add clarifying language.

Subchapter 7. Eligibility

OAC 340:40-7-1 is amended to: (1) add that child care subsidy households must not exceed the income eligibility thresholds at application or renewal; and (2) add clarifying language.

OAC 340:40-7-7 is amended to: (1) add clarifying language; (2) add that a parent or caretaker must be employed at least 20 hours a week to meet the employment need factor; and (3) update terminology.

OAC 340:40-7-8 is amended to: (1) add clarifying language; (2) add that a parent or caretaker must be employed at least 20 hours a week to meet the employment need factor; (3) update terminology; (4) add that the client must be making at least minimum wage for self-employment work performed regardless of length of time of self-employment; (5) remove that a licensed home child care provider may only be approved for child care subsidies when the client's own child places the home provider over maximum licensed capacity; and (6) add that a client attending a formal education program must be enrolled in at least 6 credit hours to meet the need factor for child care subsidy.

OAC 340:40-7-10 is amended to: (1) update acronyms; (2) add that a household must report when income exceeds the exit income threshold in the middle of an eligibility period, and (3) add that there are two income eligibility thresholds for child care subsidy eligibility, one at application and another at renewal.

OAC 340:40-7-13 is amended to add that there are two income eligibility thresholds for child care subsidy eligibility, one at application and another at renewal.

Subchapter 9. Procedures Related to Case Changes

OAC 340:40-9-1 is amended to: (1) update terminology; (2) remove references to synchronization of other OKDHS benefits with Child Care Subsidy; and (3) add the graduated phase out of subsidized care.

OAC 340:40-9-2 is amended to add when a client has requested voluntary closure of child care benefits, at any time during the previously established 12-month eligibility period, the worker reopens the child care benefits using the current eligibility information on the case regardless of whether the child care benefit has been closed in excess of 30 days.

Subchapter 13. Child Care Rates and Provider Issues

OAC 340:40-13-5 is amended to: (1) change all references of two-star statuses to three-star; and (2) update acronyms.

Reasons.

The proposed revisions are necessary to comply with provisions in the Child Care and Development Block Grant CCDBG Act of 2014.

In addition, these rule changes are needed to return the state to the current budgeted amount for the childcare program and the increased number of participants in the childcare subsidy program.

Repercussions.

If the proposed revisions are not implemented, Oklahoma will not meet CCDBG Act of 2014 requirements and may result in financial penalties to OKDHS. Additionally, if the proposed revisions are not implemented, the cost to administer the Child Care Subsidy program could exceed the amount of available Federal funding and a waitlist or enrollment freeze for applicants may be necessary.

Legal authority.

Director of Human Services; Section 162 of Title 56 of the Oklahoma Statutes (56 O.S. § 162);

Emergency rulemaking approval is requested effective January 1, 2025.

Emergency rulemaking is requested because the proposed amendments are necessary to comply with provisions in the Child Care and Development Block Grant CCDBG Act of 2014. In addition, the proposed amendments address changes needed as a result of funding challenges. Oklahoma received federal funding to support the childcare industry during the pandemic; however, those funds were depleted in May 2024. These rule changes are needed to return the state to the current budgeted amount for the childcare program and the increased number of participants in the childcare subsidy program.

- B. A description of the classes of persons who most likely will be affected by the proposed rule, including classes that will bear the costs of the proposed rule, and any information on cost impacts received by the Agency from any private or public entities:** The class of persons most likely to be affected by the proposed amendments are OKDHS staff, clients applying for or receiving subsidized child care benefits, and child care providers.
- C. A description of the classes of persons who will benefit from the proposed rule:** The classes of persons who will benefit are OKDHS staff and clients applying for or receiving subsidized child care benefits.
- D. A description of the probable economic impact of the proposed rule upon the affected classes of persons or political subdivisions, including a listing of all fee changes and, whenever possible, a separate justification for each fee change:** The economic impact will be on some families when eligibility for child care subsidy is initially determined. Currently the eligibility threshold is 85% of the SMI; however, the proposed rule changes the entry level eligibility to 70% of the SMI. The eligibility criteria for exiting the child care subsidy program remains 85% of the SMI. The higher exit threshold allows the family to continue receiving benefits while their

income does not exceed the 85% threshold. There are no fee changes associated with the revised rules.

- E. The probable costs and benefits to the Agency and to any other agency of the implementation and enforcement of the proposed rule, the source of revenue to be used for implementation and enforcement of the proposed rule and any anticipated effect on state revenues, including a projected net loss or gain in such revenues if it can be projected by the Agency:** The proposed rules will result in enhanced delivery of services to positively impact children and families. It will also benefit DHS staff by automating and simplifying eligibility processes, requiring fewer case actions. The proposed changes to entry level eligibility criteria will result in some families not being eligible for the child care subsidy program based on their income; however, this does not change state revenue or funding. The probable OKDHS cost of printing and distributing the rules is estimated to be less than \$20.
- F. A determination whether implementation of the proposed rule will have an impact on any political subdivisions or require their cooperation in implementing or enforcing the rule:** The proposed amendments neither have an economic impact on any political subdivision nor require the cooperation of any political subdivisions in implementation or enforcement of the rules.
- G. A determination whether implementation of the proposed rule will have an adverse economic effect on small business as provided by the Oklahoma Small Business Regulatory Flexibility Act:** The proposed rule may reduce the number of families eligible for child care subsidy. This could impact the child care industry if the result is fewer children in the child care subsidy program. However, demand is high for child care services with concerns often expressed by parents about lack of availability of child care slots for both the child care subsidy program and private pay. There are no anticipated adverse effects on small business as provided by the Oklahoma Small Business Regulatory Flexibility Act.
- H. An explanation of the measures the Agency has taken to minimize compliance costs and a determination whether there are less costly or nonregulatory methods or less intrusive methods for achieving the purpose of the proposed rule:** There are no less costly or nonregulatory methods or less intrusive methods for achieving the purpose of the proposed amendments.
- I. A determination of the effect of the proposed rule on the public health, safety, and environment and, if the proposed rule is designed to reduce significant risks to the public health, safety, and environment, an explanation of the nature of the risk and to what extent the proposed rule will reduce the risk:** OKDHS does not anticipate the rules to reduce significant risks to the public health, safety, and environment.
- J. A determination of any detrimental effect on the public health, safety, and environment if the proposed rule is not implemented:** If the proposed

amendments are not implemented no detrimental effect on public health, safety, and environment is expected.

K. The date the rule impact statement was prepared and, if modified, the date modified: Prepared 07/19/2024; modified

SUBCHAPTER 3. INITIAL APPLICATION

340:40-3-1. Application process

Revised ~~9-15-23~~ 01-01-25

(a) **Application process.** The application process for subsidized child care benefits begins with a request for benefits and ends with an eligibility determination. Application approval is subject to available funding. ~~Subsidized child care benefits are synchronized with the applicant's food benefits or SoonerCare (Medicaid) benefits, per Oklahoma Administrative Code (OAC) 340:40-9-1(f).~~ Child Welfare Services or Adult and Family Services (AFS) staff processes the application. ■ 1

(1) **When an application is required.** An application is required when the:

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

(B) ~~the~~ client's subsidized child care benefits are closed for more than 30-calendar days. Refer to Oklahoma Administrative Code (OAC) 340:40-9-2(f)(7) when child care benefits are closed at the client's request;

(C) ~~the~~ payee for the subsidized child care benefits changes; or ■ 2

(D) ~~the~~ family income ~~was~~ is not considered, per OAC 340:40-7-12(6), and one or more of the affected adopted children turns 6 years of age, unless the child can be added to an open income eligible case, per OAC 340:40-9-2(d). ■ 3

(2) **Who may apply.** An applicant or the applicant's authorized representative may apply for subsidized child care benefits. When an authorized representative applies on an applicant's behalf, the representative must bring Form 08MP008E, Authorized Representative Request or a statement the applicant signs giving the representative permission to act on the applicant's behalf, unless the applicant designated the person as the authorized representative on the signed application. ■ 4

(A) When the natural or adoptive parent or stepparent lives with the child, the parent is the applicant, and Oklahoma Human Services (OKDHS) bases eligibility on the parent's situation regardless of whether the parent has custody of the child.

(B) When both the natural and adoptive parent of the child live in the same household and the adoption is final, the adoptive parent is the applicant, and OKDHS bases eligibility on the adoptive parent's situation.

(C) When the natural or adoptive parent or stepparent is not in the home, the person acting in the role of the parent, referred to as the caretaker, is the applicant. The caretaker may or may not be related to the child. ■ 5

(D) When the child's parent is a minor, either the minor parent or the responsible adult the minor lives with may be considered the applicant for the subsidized child care benefits. Eligibility is based on the minor parent's situation. ■ 6

(E) When the natural or adoptive parent lives in the home but is too incapacitated to apply, another person living in the home may apply on the parent's behalf when the person provides proof of the parent's inability to apply. ■ 7

(3) **Application.** An applicant or the applicant's authorized representative completes and signs an application to apply for subsidized child care benefits. ■ 8 When the applicant requests child care for a child with disabilities, the worker gives Form 08AD006E, Certification for Special Needs Rate for Licensed Child Care Homes and Centers, to the applicant. ■ 9

(4) **Request date.** The request date, known as the application date for other AFS programs, is the date the applicant requests subsidized child care benefits verbally or in writing. When the household requests child care outside of operating hours, the request date is the next day OKDHS is open. ■ 10

(5) **Certification date.** The certification date is the date the applicant or the applicant's authorized representative completes the child care interview and provides all necessary verification to ~~the county office~~ OKDHS, including the name of the child care provider the client chooses to use. ■ 11

(A) The provider must have a valid OKDHS child care provider contract.

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

(C) For applicants choosing an in-home provider, refer to OAC 340:40-13-1 and 340:40-13-2.

(6) **Child care interview.** Child care interviews may be completed face-to-face or over the phone with the applicant or authorized representative. ■ 12

(7) **Explanation of eligibility factors.** At the time of an initial interview, the worker informs the applicant or authorized representative of: ■ 13

(A) ~~the~~ their rights and responsibilities;

(B) all eligibility factors, including the requirement that the chosen child care provider be contracted with OKDHS;

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

(D) the applicant's electronic benefit transfer (EBT) responsibilities including viewing the client training video; ■ 14

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

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

(G) the requirement to report within 10-calendar days when household income exceeds the income eligibility threshold per OKDHS Appendix C-4, Child Care Eligibility/Copayment Chart. At certification and renewal, a computer-generated notice issues to inform the client of the current income eligibility threshold for family size.

(8) **Timeliness.** To be timely, the worker must determine eligibility within two-business days of receiving all necessary verification to certify or deny the application.

(A) When the applicant does not provide requested verification, the worker denies the request within 30-calendar days of the request date.

(B) When eligibility is not determined within 30-calendar days, the worker sends Form 08MP038E, Client Notice of Action Taken, explaining the reason for delay.

(9) **Right to appeal.** The applicant has the right to appeal an application processing delay or eligibility decision, per OAC 340:2-5-60 through 340:2-5-81.

(b) **Presumptive eligibility processing.** The worker may presumptively approve a maximum of 30-calendar days of child care prior to making a complete eligibility determination when a reason described in (1) of this subsection applies. ■ 15

(1) Reasons include when the applicant:

(A) is in danger of losing a job or cannot start a new job unless child care is immediately approved. In this circumstance, it must be out of the applicant's control to provide required verification and the applicant does not have the money to pay toward the cost of child care; ■ 16

(B) is employed but has not received pay from the job and is not guaranteed a wage because the applicant is self-employed or works on a commission-only basis. Further care is not approved until the applicant provides proof of the applicant's earnings from the job; or ■ 17

(C) requests protective or preventive child care, per OAC 340:40-7-8(f).

(2) The worker gives or sends the applicant Form 08AD092E, Client Contact and Information Request, to inform the applicant what the applicant needs to provide before further care is approved. ■ 18

(c) **Eligibility determination.** The worker determines the applicant's eligibility to receive child care subsidy benefits based on eligibility conditions, per OAC 340:40-7. The applicant must meet a need factor within 30-calendar days of the request date. After calculating family income, the worker uses OKDHS Appendix C-4, Child Care Eligibility/Copayment Chart, to determine if the household meets the entry income eligibility threshold. ■ 19 Refer to OAC 340:40-5-1(8) and 340:40-7-10 through 340:40-7-13 for information regarding income determination.

(1) **Applicant determined eligible.** The earliest date the worker approves subsidized child care benefits is the date the applicant completes the child care interview and provides all necessary verification to determine eligibility. The worker certifies the applicant for a 12-month eligibility period, per Section 98.21 of Title 45 of the Code of Federal Regulations. The applicant is responsible for child care used before the certification date.

(A) The applicant or recipient records attendance with his or her EBT card through a point-of-service machine or through the mobile app at the child care facility.

(B) OKDHS does not pay for care for any day the child attends child care when the client fails to record attendance, unless extenuating circumstances exist beyond the client's or provider's control. ■ 20

(C) When the applicant or recipient fails to record attendance, the applicant is responsible for any care provided that day and may be responsible for any missed absent-day payment the child care provider would have received if all days the child attended were recorded.

(2) **Applicant determined ineligible.** The worker denies the child care request or application when the applicant completes the application process and is determined ineligible, does not provide needed verification, or fails to cooperate in determining eligibility. ■ 21

(A) When the applicant is determined ineligible after completing the application process and providing necessary verification, a new application is required regardless of the original request date. ■ 22

(B) When the worker denies the child care request because the applicant did not provide required verification, including choice of provider, a new application is not needed when the applicant completes the application process and provides necessary verification within 60-calendar days of the original request date.

(C) When the worker denies the child care request because the applicant fails to cooperate in determining eligibility, a new application is not required if the applicant cooperates within 30-calendar days of the original request date. ■ 23

INSTRUCTIONS TO STAFF 340:40-3-1

Revised 9-15-23 01-01-25

1. (a) **Child Welfare (CW) specialists process applications made by:**
 - (1) a foster parent whether or not a payment is made. Refer to Oklahoma Administrative Code (OAC) 340:75-7-65 for Child Welfare Services (CWS) foster care child care requirements;
 - (2) a foster parent of a child in tribal custody with an open resource in the Child Abuse and Neglect Information System (KIDS);
 - (3) foster parents in the process of a trial adoption of the foster child in their care;
 - (4) applicants requesting protective or ~~preventative~~ preventive care when CWS is working with the family and recommending protective or preventive child care; and
 - (5) applicants requesting care for a child placed in their home due to an ~~Immediate Protection Plan~~ or a Safety Plan.
- (b) **Child Welfare CW adoption specialists process applications for trial adoptive families who are adopting a child in Oklahoma Human Services (OKDHS) custody that did not previously serve as the child's foster home.**
- (c) **Adult and Family Services (AFS) workers process all applications for:**
 - (1) applicants when a copayment must be determined;
 - (2) children under Interstate Compact on the Placement of Children (ICPC). When a child is under an ICPC with another state, the local ICPC worker informs AFS staff when the foster family receives funds for child care from the other state. When funds are available for child care from the other state, the worker denies the application;
 - (3) a tribal foster family when there is not an open resource in KIDS. The worker consults a supervisor, and the supervisor emails AFS.ChildCare@okdhs.org ChildCareSubsidy@okdhs.org notifying AFS Child Care Services (CCS) Child Care Subsidy Unit staff of the approval. The email includes the case number, foster parent's name, and child's name. AFS CCS Child Care Subsidy Unit staff then asks CWS resource program staff to determine why there is not an open resource in KIDS;
 - (4) protective or ~~preventative~~ preventive child care as long as there is not an open CWS case. This may occur when the family is not court involved but CWS staff contracts with an outside agency for Comprehensive Home-Based Services. Refer to OAC 340:40-7-8(f) for information about processing AFS protective or preventive child care requests; and
 - (5) applicants whose children are in OKDHS custody and on trial reunification with their parents. In such instances, the parent's income is considered in determining the family share copayment amount.
2. **When a payee changes, the worker asks the applicant if the payee change is due to a temporary absence, per OAC 340:40-7-6(c). When the parent's or**

- caretaker's absence is temporary, the parent or caretaker remains a household member and the payee. When the change is not considered temporary, the new payee completes a new application.
3. When an adoptive child turns 6 years of age during an eligibility period, the child remains eligible until the next renewal. If a child with developmental disabilities needs care after turning 19 years of age, the worker refers the family to Developmental Disability Services.
 4. (a) An authorized representative is a person who is knowledgeable of the household circumstances. The child care provider or a person working for the child care provider may not be the authorized representative. The worker contacts the applicant to determine, if the:
 - (1) household freely requested the authorized representative's assistance;
 - (2) household circumstances are correctly reported; and
 - (3) applicant understands that the applicant is liable for any overpayment resulting from erroneous information the authorized representative provides.(b) The worker enters information about the authorized representative in the Information Management System (IMS) using the computer transaction EBTU before an electronic benefit transfer (EBT) card is issued.
 5. Refer to OAC 340:40-7-6(c) when the parent's or caretaker's absence is temporary.
 6. Only the minor parent's income and need factor is used to determine the child's eligibility for subsidized child care benefits. Refer to OAC 340:40-7-6(b).
 7. The person acting on the parent's behalf must provide documentation from a professional, who is working with the parent, stating why the parent is incapable of completing the application or designating an authorized representative.
 8. (a) A signature may be submitted in person, through a scanned document via email, fax, or okdhslive.org.
(b) An application submitted online through okdhslive.org is automatically copied to ~~Disclmage~~ uploaded to the case record and has an electronic signature. A paper application is not required.
 9. When approving a child with disabilities for child care, refer to OAC 340:40-7-3.1 for information on the approval process for the higher special needs rate at the chosen facility.
 10. (a) Child care subsidy benefits may be requested verbally, in writing, or through okdhslive.org.
(b) The request date is entered in the Family Assistance/Client Services (FACS) Eligibility Notebook, Child Care tab in the "Request Date" field E1 before an EBT card is issued. When the worker certifies or denies benefits, the request date is also entered in the FACS Eligibility Notebook, Auth. Daycare tab in the "Child Care Req Date" field K9.
(c) When the child care request is mailed, left at the local county office, or submitted through okdhslive.org, staff makes an attempt to contact the applicant the same day to complete a child care interview and to advise what verification must be provided before care is approved. A phone interview is appropriate when it best meets the applicant's needs. When the worker cannot

reach the client by phone, the worker sends ~~Form 08AD092E, Client Contact and Information Request~~ Form 01AD091E, Interview Notice, to inform the applicant of the scheduled interview date of the need to call to complete an interview, and When the interview is complete, the worker sends Form 08AD092E, Client Contact and Information Request, to inform the client of the required verification needed. The worker documents all attempts to contact the client by phone in case notes.

(d) The need for child care must be met within 30-calendar days of the request date.

11. (a) The only time the request date and the certification date are the same date is when the applicant completes a child care application, is interviewed, and provides all necessary verification on the same day. Refer to OAC 340:40-7 for eligibility factors the worker must verify before approving subsidized child care benefits. The applicant must also provide the child care provider's name the applicant plans to use before the certification date is determined.

(b) When the applicant chooses an ineligible provider, the worker is responsible for immediately informing the applicant of the provider's ineligibility and that the applicant must choose a contracted provider.

(1) When the applicant chooses a child care provider with a pending OKDHS contract, the worker informs the applicant that:

(A) the earliest date OKDHS approves child care and payment to the provider is the day the provider's contract is granted; and

(B) payment for any child care used prior to that date is the applicant's responsibility to pay.

(2) The worker determines when a new contract is granted by entering in IMS: PCI, space, and the contract number. The date shown under "Contract Begin Date" is the earliest date services may be approved.

(c) The worker enters the certification date in the FACS Eligibility Notebook in the Child Care tab, "Cert Date" field E2 and in the Auth. Daycare tab, "Begin/Change Date" field K45 when the applicant needs care on this date. When the applicant does not need care until a future date, the worker enters the future date in the "Begin/Change Date" field K45.

(d) When the applicant provides all requested verification and the worker determines more verification is needed, the certification date entered is the date the applicant provides the initially requested verification.

12. (a) The worker completes the interview with the person who signs the application or the household's authorized representative. The applicant must designate the authorized representative in writing prior to the interview. The worker explores the applicant's child care eligibility and informs the applicant of other OKDHS programs for which the applicant may be eligible. The worker also arranges for the client to view the video, "EBT Child Care," explaining the EBT system.

(b) OKDHS staff makes every effort to interview the applicant on the request date to inform the applicant what the applicant must provide before child care is approved.

(1) When the applicant mails in or leaves Form 08MP001E, Request for Benefits, at the OKDHS office without staying for an interview, staff calls the applicant that same day to explain that a child care interview must be completed and to inform the applicant what verification must be provided before care is approved.

(2) When the worker reaches the applicant by phone and the applicant consents to the interview, the worker completes the interview, informs the applicant what verification is required to make an eligibility decision, and sends the applicant Form 08AD092E to request the verification.

(3) When the worker cannot reach the client by phone, the worker sends Form ~~08AD092E~~ 01AD091E, Interview Notice, to inform the applicant ~~of the scheduled interview date~~ of the need to call to complete an interview, and When the interview is complete, the worker sends Form 08AD092E, Client Contact and Information Request, to inform the client of the required verification needed.

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

(b) The worker secures the applicant's signature and images uploads the application. At the end of the interview, upon request, the worker gives or mails a copy of the application to the applicant or the authorized representative.

(c) Refer to OAC 340:40-7 for information regarding eligibility conditions, including need, and OAC 340:40-5 for information regarding completing a child care plan and which child care providers may not be approved for subsidy payment.

(d) The worker gives or mails Form 08AD092E to the applicant when verification must be provided before subsidized child care benefits are approved. When Form 08AD092E must be mailed because the interview is conducted over the phone, the worker tells the applicant what verification is needed before mailing the form.

14. The video explains the:

(1) proper care and use of the client's EBT card;

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

(3) need to contact the worker immediately when a problem occurs so it can be resolved within 10-calendar days.

15. Refer to Presumptive Eligibility Coding | Quest for instructions on how to code the 30-calendar days.

16. (a) An example of verification that is beyond the applicant's control to provide includes instances when an employer refuses to verify income for an employee or OKDHS until a paycheck is received. In instances such as this, the applicant must provide all other verification that is within the applicant's control. The worker uses the applicant's statement for the verification that is out of the applicant's control to provide.

(b) The applicant is not automatically assigned a zero family share copayment because the presumptive eligibility process is used. The worker uses the

income processes in OAC 340:40-7-10 through 340:40-7-13 to determine what income counts and when. In the case of two-parent families, when one parent has worked for some time and the other parent is starting a new job, the worker counts the income of the parent who has been working to determine the family share copayment.

17. Refer to OAC 340:40-7-8(a) for information on self-employed individuals.
18. (a) When the client provides verification within the 30-calendar day approval period or within 30-calendar days of closure, the worker ~~reopens~~ continues the child care benefit. Refer to Presumptive Eligibility Coding | Quest for instructions on how to ~~reopen~~ continue care following a 30-calendar day presumptive eligibility approval.
 - (b) When the client does not provide required verification within 60-calendar days, child care benefit remains closed.
 - (c) The worker does not approve a new presumptive eligibility period unless the client provides all requested verification from the last presumptive eligibility approval.
 - (d) If the worker receives income proof and determines the family share copayment should have been higher for the presumptive eligibility period, the worker does not complete an overpayment unless the worker and supervisor believe the client intentionally provided incorrect information. In those instances, the worker sends an overpayment memo to the AFS Benefit Integrity and Recovery Unit.
19. (a) When a new application is required because of a payee change or when an adopted child turns 6 years of age, per (a)(1)(C) or (D) of this Section, the household must meet the entry income eligibility threshold, per OKDHS Appendix C-4, Child Care Eligibility/Copayment Chart, even when the child received subsidized child care in the prior month.
 - (b) The worker uses the unfinished issuance process to approve child care benefits when the applicant is only eligible for the application month. This may occur when income from a new source is not considered for the application month but is anticipated for the next month. For unfinished issuance coding instructions, refer to Quest article "Unfinished Issuance Examples & Coding."
20. Circumstances beyond the client's or provider's control include, but are not limited to, some type of worker or system error.
21. (a) When the applicant is determined ineligible and requests other services, the worker provides information and referral services that can help the family develop alternative arrangements.
 - (b) Refer to OAC 340:40-9-3 for notice requirements. The worker denies the child care request in the FACS Eligibility Notebook, Auth. Daycare tab by entering:
 - (1) "Person Number" field K4;
 - (2) "Action Taken" field K12;
 - (3) "Reason" field K16;
 - (4) "Child Care Req Date" field K9;
 - (5) "Begin/Change Date" field K45; and
 - (6) "Adult Day Services" field K95.

(c) When the child care provider's contract number is known and entered in "Contract Number" field K40, a computer-generated notice issues to the applicant and the child care provider. When the contract number is unknown, a notice is computer-generated to the applicant only.

22. Examples include when the applicant's income exceeds agency standards or the applicant does not meet a need factor within 30-calendar days of the request date.
23. Examples include when the applicant ~~misses the scheduled~~ fails to complete an interview or withdraws the application.

SUBCHAPTER 5. CHILD CARE PLAN

340:40-5-1. Child care plan

Revised ~~9-15-22~~ 01-01-25

Providing child care is part of an overall service plan designed to help eligible parents or caretakers to achieve their maximum self-support potential. Quality child care services ensure that eligible parents or caretakers have access to adequate care that affords their children developmental and learning experiences while they are engaged in self-support activities. ■ 1 The child care plan consists of many components that link to form a goal-directed child care plan as described in (1) through (11) of this Section.

(1) **Child characteristics.** The worker gathers information about the child who needs child care, including his or her name, age, grade level, and if the child has a disability.

■ 2

(2) **Need for child care.** The worker determines if the parent or caretaker meets a need factor, per Oklahoma Administrative Code (OAC) 340:40-7-7 and 340:40-7-8.

(3) **Plan hours.** To document the need factor, the worker gathers information from the parent or caretaker about the days and hours he or she qualifies for child care, including travel time. ■ 3

(A) When there are two parents or caretakers in the home, the worker only approves subsidized child care benefits when both parents or caretakers meet a need factor during the same hours, per OAC 340:40-7-7 and 340:40-7-8.

(B) Based on the days and hours the child requires care, the worker approves a full-time daily, part-time daily, a combination of full-time and part-time daily, weekly, or a blended unit type. ■ 4

(C) Refer to OAC 340:40-7-7(e) for plan hours concerning a child attending an Early Head Start-Child Care Partnership (EHS-CCP) grant program or an Oklahoma Early Childhood Program (OECPP). ■ 4

(D) The worker does not decrease the child care plan hours because the client no longer meets a need factor or has a decreased need for child care between renewal periods, per Section 98.21(a) of Title 45 of the Code of Federal Regulations (45 C.F.R. § 98.21) and OAC 340:40-9-2(b).

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

(A) When the alternative is a spouse or the child's natural or adoptive parent who lives in the home, the client must use the alternative rather than subsidized child care benefits.

(B) When the alternative is someone other than a spouse or the child's parent or caretaker, the client may choose whether to use the alternative.

(5) **Plan to increase income.** At each application or renewal, the client and worker explore ways the client may become more self-supporting by increasing household income. Increasing household income may include pursuing a work promotion, searching for a higher paying job, or increasing job skills. The client is also instructed to pursue any identified potential income, per OAC 340:40-7-9. ■ 6

(6) **Back up plan.** The worker and client discuss and develop a backup plan for child care when the child cannot go to the usual provider because of illness, school holidays, or other emergencies. The backup plan includes the name and address of a person the client feels he or she can rely on when the normal child care plan cannot be used. ■ 7

(7) **Provider Choice.** The worker documents the provider choice on the application or renewal form. ■ 8

(A) When the client does not choose a provider at the time of request, the worker provides the client with information to help in making the choice. ■ 9

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

(C) The client may choose a Community Hope Center that is not subject to the Stars quality rating system.

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

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

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

(iii) home in which the child resides; ■ 10

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

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

(vi) program receiving state or federal funds, such as Head Start, Early Head Start, or public schools, and not charging all parents for the hours subsidy payment is requested. EHS-CCP grant programs and OECPs are exempt from this rule; ■ 12

(vii) provider caring for a school-age child during the regular school day when the student could be attending a public or private school during those hours; ■ 13

(viii) center, when it is a one-star facility, unless there are no centers with a higher star status in the community or special exception criteria are met. Special exception criteria are: detailed in (I) through (III) of this unit.

(I) ~~the~~ The child was approved for care prior to the provider's star status being reduced to one star. The child may remain at the facility unless the child stops attending there for more than 30-calendar days. The child may be approved at the same facility again when the only reason the child did not attend for more than 30-calendar days was because of a school break

or circumstances beyond the family's control, such as the child's illness; ■ 14

(II) ~~care~~ Care is requested for a child living in the same home as a child already approved for care, per (7)(C)(viii)(I) of this subsection, for the same one star child care provider; ~~or~~.

(III) ~~the~~ The parent or caretaker demonstrates there is no other child care option that meets the family's needs; or ■ 15

(ix) in-home provider who is not related to the child. Per OAC 340:40-13-2, related means an aunt, uncle, grandparent, great grandparent, or sibling not living in the home. ■ 16

(8) **Income determination.** Per OAC 340:40-7, the worker determines who is considered part of the household for income determination and what income is countable or excluded. The household's countable income must not exceed the income eligibility ~~threshold~~ thresholds, per OKDHS Appendix C-4, Child Care Eligibility/Copayment Chart.

(9) **Family share copayment.** The worker refers to OKDHS Appendix C-4 to determine the family share copayment for each family. The family share copayment is applied before OKDHS pays a child care subsidy. ■ 17 The family's copayment cost varies based on family size and income.

(A) The family share copayment is determined at approval and may not be increased until renewal, per 45 C.F.R. § 98.21(a)(3). When the worker anticipates changes in household income at approval, such as when the client starts a new job and does not receive a full month's pay for the application month, the worker increases household income and the family share copayment for the next month in the certification action. All family share copayment changes made at certification are included in the approval notice(s). ■ 18

(B) When household income decreases during the eligibility period, the worker decreases the family share copayment, when applicable, per OAC 340:40-9-2(c). Following a decrease, the copayment is not increased until renewal ~~unless the household income exceeds the income eligibility threshold, per OKDHS Appendix C-4.~~

(C) At renewal, when the family's income exceeds the exit income eligibility threshold, per OKDHS Appendix C-4, the worker closes the child care benefits.

(10) **Social services requests.** When a client requests help in meeting the social services needs listed on the application or renewal, the worker provides all available information to aid a client in meeting these needs. ■ 19

(11) **Client rights and responsibilities.** The worker informs the client of his or her rights and responsibilities per (A) through (G) of this paragraph.

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

(B) The client has the right to ask for a fair hearing when the client disagrees with an action taken on his or her case, per OAC 340:2-5. ■ 20

(C) The provider may charge the client for special fees, such as enrollment or transportation fees, provided these fees are posted and also charged to families attending the facility who do not receive subsidized child care.

(D) The provider may charge the client for care provided in excess of the OKDHS-approved child care plan when the client chooses to leave the child in care longer. When the provider requires all children in the facility to begin care by a certain time of day and the client's child care plan hours start later, the provider must not charge the client for the additional hours. The client records attendance based on the child care plan hours. ■ 21

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

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

(ii) payment for attendance was denied and the client did not resolve the problem within 10-calendar days; or ■ 22

(iii) provider lost the absent-day payment for a child approved for a weekly unit type because the client did not record correct attendance for every day the child attended that month. ■ 23

(F) The provider may not charge the client for days:

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

(ii) the child is not in attendance. ■ 24

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

INSTRUCTIONS TO STAFF 340:40-5-1

Revised ~~9-15-23~~ 01-01-25

1. (a) **The worker helps the client become more independent by suggesting ways to increase household income and identifying strengths in the client's life. When both are working with the family, the Adult and Family Services (AFS) worker and Child Welfare Services (CWS) specialist freely share information to develop a plan that best meets the family's needs.**
(b) **The worker explains the importance of early childhood education and encourages the client to choose a higher star status provider.**
2. (a) **When the child is 4 years of age or older, the worker asks what days and hours the child attends school to determine how many hours the client needs subsidized child care.**
(b) **Child care providers caring for children with disabilities are sometimes approved for a higher reimbursement rate. Refer to Oklahoma Administrative Code (OAC) 340:40-7-3 and 340:40-7-3.1 for information regarding children with disabilities and special needs rate approval.**
3. (a) **When the client is employed, the worker accepts the client's work schedule declaration when pay stubs or other pay information support the declaration. For example, when the client provides pay stubs or other pay information indicating the client works 30 to 40 hours a week and states the schedule is Monday through Friday, 8:00 a.m. to 5:00 p.m., the declaration is accepted. The**

worker documents the work schedule declaration in the Family Assistance/Client Services (FACS) case notes.

(b) When the client is an adoptive parent who meets criteria, per OAC 340:40-7-12(6), or is a caretaker not legally and financially responsible for the child, the client must provide work schedule proof or the worker must verify the work schedule with the employer because pay information is not required. When the client chooses to provide pay stubs, the worker accepts the client's work hours declaration as described in (a) of this Instruction to Staff (ITS). The worker documents the work schedule and how the worker verified it in FACS case notes.

(c) When the client attends school or training, the client must provide a copy of the class schedule unless the worker is able to verify the information with the school or training facility. The worker documents the days and hours on the class schedule and how the worker verified it in FACS case notes.

(d) The amount of travel time approved varies depending on what is reasonable for the client. The worker asks the client how much time it takes to get from the work, school, or training site to the child care facility and vice versa. When the worker approves abnormally long travel-time periods because of extenuating circumstances, such as when the client rides with another person whose schedule varies from the client, or the client lives a long distance from his or her job, the worker documents the circumstances in FACS case notes.

4. To determine the appropriate unit type, the worker may use Oklahoma Human Services (OKDHS) Appendix C-4-C, Unit Type Chart for Child Care Authorizations.

(1) The worker approves a full-time daily unit type when the child requires care more than four hours every day authorized for fewer than 15 days or more than 23 days per calendar month.

(2) The worker approves a part-time daily unit type when the child needs care for four hours or fewer every day authorized.

(3) The worker approves a combination of full-time and part-time unit types when the child needs care more than four hours for some days and four hours or fewer other days. When the child is 4 years of age or older, the worker first determines if the child qualifies for a blended unit type before approving a combination of full-time and part-time unit types.

(4) Child care authorized with a weekly unit type is paid at a full-time daily or part-time daily rate for the days the child attends care. Child care providers only receive absent-day payments when the child attends the minimum number of days required in the calendar month to qualify. Refer to OKDHS Appendix C-4-B, Child Care Provider Rate Schedule, to determine the minimum number of days a child must attend to qualify for an absent-day payment and the maximum number of days OKDHS pays the provider.

(A) The worker approves child care with a weekly unit type when the child needs child care more than four hours each day and for at least 15 days and no more than 23 days per calendar month. The client may require care for any of the need factors, per OAC 340:40-7-7.

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

- (i) the same child uses two different child care providers;
- (ii) any needed care is part-time;
- (iii) the need for child care is fewer than 15 days or more than 23 days per calendar month; or
- (iv) the child is using an in-home child care provider.

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

(D) The worker approves a weekly unit type for all children attending an Early Head Start-Child Care Partnership (EHS-CCP) grant program or an Oklahoma Early Childhood Program (OECP) regardless of the parent's or caretaker's schedule, provided a need factor is met for some of the EHS-CCP or OECP care hours.

(i) For example, the parent or caretaker may work part-time, but the authorization is coded with a weekly unit type. When another child not attending an EHS-CCP grant program or an OECP is included in the household and receives child care, the child is only approved for the days and hours the parent or caretaker meets the need factor, including travel time.

(ii) Refer to Quest article "Early Head Start – CCP Grant Facilities" for a list of EHS-CCP grant programs.

(5) The worker approves a blended unit type for children 4 years of age and older when care is needed Monday through Friday; part-time for the days school is in session and full-time for school holidays. The OKDHS established rate for a blended unit type is higher than for a part-time unit type and lower than a full-time unit type. The rate is based on Oklahoma State Department of Education information regarding the number of full-time and part-time days the child needs care. OKDHS established two blended unit types, traditional and extended school year. The worker determines the appropriate blended unit type.

(A) The worker approves the traditional school year blended unit type when the child attends a school with a traditional nine-month school calendar. To receive a traditional blended unit type, the child care facility must be open on school holidays, except for summer break.

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

(ii) During the summer months, when the child continues to attend the same child care facility, the provider is paid the full-time daily rate with an absent-day payment when applicable.

(iii) The Information Management System continues to show 23B during the summer, but for payment purposes, the electronic benefit transfer (EBT) system pays a weekly unit type.

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

year. The child care facility must be open during school holidays including fall, Christmas, spring, and summer breaks.

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

- (i) the child requires more full-time care days in addition to school holidays during the school year;
- (ii) the child does not need care for school holidays;
- (iii) the child requires more full-time care days in addition to school holidays;
- (iv) the child uses a different child care facility for school holidays;
- (v) the child care facility is not open on school holidays;
- (vi) only part-time care is needed;
- (vii) more than one child care facility is needed for the child; or
- (viii) the child qualifies for a special needs or an in-home child care rate.

(6) Care may only be authorized at one facility per day per child.

(A) The client may use two different providers for the same child when the client uses the second provider on different days of the week.

(B) The total number of units or days authorized for both providers may not exceed the maximum that would be authorized when care is only needed at one provider. For example, the client uses one provider three days per week and another provider two days per week. In this instance, the maximum combined number of days totals 23 days per month.

(7) A child care plan is normally not approved to cover an entire 24-hour calendar day. When the parent or caretaker leaves the child in child care over 24 hours on an occasional basis due to the nature of his or her work; the worker may authorize child care after receiving approval from AFS Child Care Services (CCS) Child Care Subsidy Unit staff.

5. The purpose of discussing alternative care with the client is to help the client consider other alternatives to purchased care that may be more suitable for the child. When another adult is living in the home who is not a spouse or the child's natural or adoptive parent, the adult may refuse to care for the child. When the client states a spouse living in the home is unable to care for the child, refer to OAC 340:40-7-8(f) for required information to approve preventive or protective child care.
6. The worker refers the client to other agencies for help when appropriate. Possible referral sources include:
 - (1) the Oklahoma Employment Security Commission;
 - (2) a Workforce Innovation and Opportunity Act contracted entity;
 - (3) Workforce Oklahoma Centers;
 - (4) the local technology center;
 - (5) a community college;
 - (6) the Social Security Administration; or
 - (7) the Department of Veterans Affairs.
7. Helping the client plan in advance for emergencies when a child cannot go to child care may help the client keep a job.

- (1) Persons who may be willing to provide child care in an emergency include relatives, friends, or neighbors.
 - (2) The client may explore other alternatives with his or her employer, such as working from home or working additional hours after the emergency is resolved.
8. When the client chooses to use a relative as a provider, the worker checks the "relative indicator" field on the Auth. Daycare tab in FACS.
9. Refer to OAC 340:40-13-1 for information regarding out-of-home and in-home child care arrangements. Information the worker gives the client to help make this choice includes:
 - (1) the name and address of the Child Care Resource and Referral agency for the county. The information is listed in the pamphlet, OKDHS Pub. No. 98-09, "Oklahoma Child Care Resource & Referral Association, Inc. – Your Child Care Resource";
 - (2) a list of contracted providers. The worker obtains a list by searching the Child Care Locator database available on the AFS webpage on the InfoNet under Eligibility Determination Grouping. The worker prints a list of all child care centers with a two-star or higher star rating, and all child care homes that meet the client's search criteria. When there are no centers in the community with a two-star or higher star rating, the list includes the one-star centers;
 - (3) how to request case summaries of potential providers from ~~Child Care Services (CCS)~~ licensing staff or make an appointment to look at the licensing files;
 - (4) explaining that the "star" status of a facility is an indicator the facility meets additional quality criteria. The worker informs the client that care is not approved at a one-star child care center unless there are no centers in the community with a two-star star or higher rating, or the client meets exception criteria, per OAC 340:40-5-1(7)(C)(viii). Only AFS CCS Child Care Subsidy Unit staff may approve an exception. The client may choose a family child care home regardless of the star level. OAC 340:110-1-8.3 describes provider certification for different star levels; and
 - (5) giving the client all or some of the pamphlets CCS produces to help clients choose quality care, which are:
 - (A) OKDHS Pub. No. 01-18, "Look for the Stars When Choosing Child Care";
 - (B) OKDHS Pub. No. 98-09, "Oklahoma Child Care Resource & Referral Association, Inc. – Your Child Care Resource";
 - (C) OKDHS Pub. No. 87-91, "Parent's Guide to Selecting Quality Child Care"; and
 - (D) OKDHS Pub. No. 02-06, "Paying for Child Care Just Got Easier."
10. An exception may be made when a child attends the child care home immediately prior to the child care home provider becoming the child's foster parent, per OAC 340:75-7-65(c)(3).
11. In rare instances, such as the child's special health needs, AFS CCS Child Care Subsidy Unit Staff may grant an exception. To request approval, the worker

consults a supervisor, and the supervisor emails AFS.ChildCare@okdhs.org ChildCareSubsidy@okdhs.org. The email must include why the client is unable to use a different child care provider. When approved, AFS CCS Child Care Subsidy Unit staff documents the approval in FACS case notes and sends an approval letter to the provider.

12. (a) Programs receiving federal grant funds, such as Head Start or Early Head Start, and public schools receiving state funds for education may receive subsidy funds only when all parents and caretakers are charged for the hours subsidy payment is requested. The worker approves the appropriate unit type based on the client's schedule and the number of subsidy hours needed.
- (b) Due to efforts to increase high quality child care availability for low income families, a child attending an EHS-CCP grant program or an OECP is approved with a weekly unit type as long as the client meets a need factor for some of the EHS-CCP or OECP care hours. Refer to Quest article "Early Head Start – CCP Grant Facilities" for a list of EHS-CCP grant programs.
- (c) When there is a tribal child care program in the county for which the client might qualify, the worker asks the client if the client is receiving subsidized child care benefits from the tribe.
- (1) The client may not receive benefits from the tribe and OKDHS for the same need factor.
- (2) When the client needs child care for different services, it is acceptable for the tribe to cover the cost of one service while OKDHS pays for the other service, such as when the client works and goes to school. When the tribe pays for child care costs while the client works, the worker may approve child care through OKDHS for the hours the client attends school.
- (3) When the client chooses to receive OKDHS subsidized child care, the same rules governing other clients apply to this client as well.
- (4) The child care provider must not file a claim with OKDHS and a tribe for the same need factor.
13. (a) A child receiving home schooling must receive instruction from his or her own parent or caretaker, except for the time a tutor might be hired.
- (b) The worker does not approve child care in order for a child care provider to home school someone else's child.
- (c) The worker must not approve a school-age child for child care in order for the parent or caretaker to work or attend school during hours public or private school is in session because the parent or caretaker wants to home school the child during the evening.
- (d) School age is defined as a child enrolled in kindergarten through 12th grade.
- (e) Exception: a provider may be approved to provide child care for a school-age child during the hours public or private school is in session when a child:
- (1) with disabilities receives shortened-day services from the local school system; or
- (2) is suspended or expelled from school and the school system verifies there is no other educational alternative available to the child.
14. The school break may be due to the client's or child's school schedule.

15. (a) Prior to granting an exception, the worker gives the client a list of contracted centers with a two-star or higher star rating, and when the client wants to use a child care home, all contracted child care homes that meet the client's search criteria. The client is not required to choose a child care home with a two-star or higher star rating before considering a one-star center when the client does not want to use a child care home.

(1) When there are no centers in the community with a two-star or higher star rating or higher, the list includes one-star centers and an exception is not required. The worker then images uploads the list to the case record.

(2) The worker uses the Child Care Locator, available on the AFS InfoNet under Eligibility Determination/Maintenance, <http://childcarefind.okdhs.org/childcarefind/>, to generate the list.

(3) The worker instructs the parent or caretaker to contact all providers on the Child Care Locator list to determine if care is available during the hours needed. The client notes on the list why care is not available at these locations or why the provider does not meet the client's needs. The Child Care Locator list must be imaged uploaded to the case record.

(4) When the client is unable to find suitable care from the providers on the list, the worker reviews the client's notes and documents the worker's opinion regarding when an exception may be granted in FACS case notes.

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

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

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

(C) are a reasonable distance from the parent's or caretaker's home due to transportation issues.

(b) When the worker agrees an exception is warranted under (a) of this ITS, the worker consults a supervisor, and the supervisor emails AFS CCS Child Care Subsidy Unit staff at AFS.ChildCare@okdhs.org ChildCareSubsidy@okdhs.org to request exception approval. When the AFS CCS Child Care Subsidy Unit approves the exception, the worker gives the client a list of one-star center providers. When the client finds a one-star center that meets the family's needs, the worker approves the one-star center on the system and asks a supervisor to email AFS CCS Child Care Subsidy Unit staff at AFS.ChildCare@okdhs.org ChildCareSubsidy@okdhs.org to request override of the one-star edit.

16. Refer to OAC 340:40-13-2 for information regarding in-home child care arrangements.

17. (a) In the Household tab in FACS, the worker chooses "social services" in the "benefit" field F24 and "added to benefit section" in the "status" field F25 to only add the child approved for child care. All other household members are shown as "not included in benefit. Income and resources are considered in benefit computation" in the "status" field F25. The system calculates the family

share copayment based on information entered in the Household and Income tabs of FACS and is shown in the "Family Copay" field E53 in the Child Care tab. The system maps this family share copayment to the "copay" field K70 of the authorization section when a change action is entered in the Child Care tab. The family share copayment is never prorated.

(b) The system is only able to calculate one family share copayment per case record. When the client's income must be considered for some but not all children requesting child care, the worker must establish separate case records.

(1) Examples of situations when the client's income is not considered include when:

(A) a child receives Supplemental Security Income or Temporary Assistance for Needy Families and is pre-determined eligible with a zero copayment, per OAC 340:40-7-1;

(B) a child is adopted and meets conditions per OAC 340:40-7-12(6);

(C) the client is not legally and financially responsible for the child, per OAC 340:40-7-6(b)(2); or

(D) at least one child in the household attends an EHS-CCP grant program or an OECP and meets conditions per OAC 340:40-7-12(7).

(2) The client may choose to include all children and all countable household income on one case when doing so allows every child needing child care to be income eligible. An example may include when one or more children are not income eligible unless the family size increases by including the child eligible for a zero copayment.

(3) When two case records are established, the worker documents in FACS case notes the:

(A) reason two case records must be established;

(B) income considered or excluded in each case; and

(C) names of the children approved for child care benefits in each case record.

(c) The family share copayment is assigned to one provider per case. When the family uses more than one provider, the worker determines which provider gives the most costly care to the family. The worker uses OKDHS Appendix C-4-B, Child Care Provider Rate Schedule, to determine the daily rate for each child based on the child's age, child care plan, and the facility's star status. The worker adds the monthly cost of care per child and then per provider. The worker assigns the family share copayment to the provider giving the most care that results in the highest total cost to OKDHS.

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

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

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

- (4) The authorization(s) for the non-exempt provider must be open on the system without edits before the worker enters the authorization(s) for the provider exempted from copay. When the worker tries to enter both authorizations at the same time, the authorization coded S in K78 edits as it cannot find an open authorization for another provider.
- (d) When a family member enters or leaves the household, the system recalculates the family share copayment after the worker enters a change action in the Child Care tab. The system allows a decrease in the family share copayment, but not an increase during the 12-month eligibility period. Refer to OAC 340:40-9-2 for information about changes in family size.
- (e) The entire monthly family share copayment appears on the point-of-service (POS) machine tape or mobile app each time the client records attendance at the child care facility.
- (f) When a child is removed from licensed child care, the worker assesses if the child's current care arrangement places the child at risk of abuse, neglect, or exploitation. The worker makes a referral to CWS when appropriate.
- (g) Refer to OAC 340:40-7-11(c)(5) for information on court-ordered child care payments and third party payments made directly to the child care provider.
- (h) Refer to OAC 340:40-9-2(e) for information regarding how to calculate the family share copayment when the client changes child care providers.
18. The worker uses the unfinished issuance process to adjust the household income and child care copayment. Refer to 340:40-7-13(d) and ITS # 9 when a new source of income is reported at renewal.
19. Each OKDHS office maintains a current list of community resources for referral purposes. Before sending the client to a specific agency, the worker calls the agency to confirm that the type of help needed is available.
- (1) When the client requests information to prevent domestic violence or child abuse, the worker determines whether to complete a CWS referral. When a CWS referral is necessary, the worker contacts the Child Abuse and Neglect Hotline at 1-800-522-3511.
- (2) When the worker is uncertain how to handle questions or other social service needs a client mentions, the worker seeks help from his or her supervisor or other county office staff.
20. The applicant may request a fair hearing because of actions taken on a child care request or a child care application.
21. (a) When the provider requires all children be in attendance by a certain time every morning regardless of the client's work or school schedule, the provider may not charge the client for those additional hours.
- (1) Reasons the provider may give for this requirement include limiting disruptions to program content so all children participate fully in the child care program's quality content or to reduce transportation costs for the provider.
- (2) For example, when the client's work or school schedule does not begin until 11:00 a.m., but the provider requires attendance by 9:00 a.m., the client records attendance by entering a previous check-in for 11:00 a.m. using the

POS machine or mobile app when the child is picked up at the end of the day.

(b) When the client chooses to drop the child off at the child care provider earlier than the approved service plan hours, or leaves the child later for personal reasons, the provider may charge the client for the additional hours.

22. The worker emphasizes to the client the importance of checking for an approval message on the POS machine or the mobile app and immediately reporting any pending or denied messages to the worker. The video the client must watch emphasizes this responsibility.

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

24. Refer to OAC 340:40-13-5(h) for a list of provider contract violations.

SUBCHAPTER 7 ELIGIBILITY

340:40-7-1. Categories of eligibility

Revised ~~3-4-19~~ 01-01-25

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

(1) **Predetermined eligible.** A person is predetermined eligible for a child care benefit with a zero copayment when ~~he or she~~ the person is a recipient of public assistance or Supplemental Security Income (SSI). Public assistance is defined as a State Supplemental Payment (SSP), Temporary Assistance for Needy Families (TANF) that includes Supported Permanency, or Refugee Resettlement Program (RRP) cash assistance. ■ 1

(A) TANF recipients who work and are eligible for a child care benefit may choose to receive a child care benefit through ~~the Oklahoma Department of Human Services (DHS)~~ (OKDHS) or pay for the child care themselves. When they choose to pay for the child care cost, it is considered as an earned income exemption for the TANF benefit, per Oklahoma Administrative Code 340:10-3-33. ■ 2

(B) A person receiving public assistance or SSI is not predetermined eligible for a zero copayment when the recipient is a child and the parent or guardian requesting the benefit for the child is not the payee on the public assistance or SSI payment. ■ 3

(2) **Income eligible.** Households not predetermined eligible for a child care benefit must meet the income eligibility ~~threshold~~ thresholds for their family size, per DHS Appendix C-4, Child Care Eligibility/Co-payment Chart, to receive assistance with child care costs. ■ 4

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

(A) employer provides child care benefits; or

(B) recipient's gross monthly earned income exceeds the monthly allowance of assistance pursuant to the TANF program plus the cost of child care and medical insurance to which the recipient would be entitled. ■ 5

(4) **Dual eligibility.** A person may have dual eligibility to receive child care assistance through the ~~DHS~~ OKDHS Child Care Subsidy Program and ~~his or her~~ the tribe. However, the child care provider may not receive payment for the same service from both programs simultaneously. ■ 6

INSTRUCTIONS TO STAFF 340:40-7-1

Revised ~~3-1-19~~ 01-01-25

1. (a) Supplemental Security Income (SSI) is a means-tested program administered by the Social Security Administration.
(b) A child must receive at least one dollar of SSI to be considered predetermined eligible with a zero copayment.
(c) A child predetermined eligible must meet all other conditions of eligibility included in this Subchapter before subsidized child care is approved.
(d) Refer to Oklahoma Administrative Code (OAC) 340:10-22-1 for Supported Permanency Program information, OAC 340:15 for State Supplemental Payment information, and OAC 340:60 for Refugee Resettlement Program information.
(e) Enter information regarding eligibility in the Family Assistance/Client Services (FACS) Interview Notebook under the Household and Income tabs.
(f) A child continues to be considered a Temporary Assistance for Needy Families (TANF) recipient and predetermined eligible with a zero copayment when the parent or caretaker participates in the Subsidized Employment Program (SEP). Once the SEP participation period ends and the TANF benefit closes, the parent or caretaker must meet the exit income eligibility threshold, per Oklahoma Department of Human Services (~~DHS~~) (OKDHS) Appendix C-4, Child Care Eligibility/Copayment Chart, at the next child care renewal, per OAC 340:40-9-1.
2. (a) The worker informs the client of ~~his or her~~ the right to choose to pay child care costs and receive a TANF child care earned income deduction or be approved for a child care benefit. When the client chooses to receive the TANF earned income deduction, the worker:
 - (1) informs the client ~~he or she must pay~~ child care expenses must be paid out-of-pocket for one month before receiving the earned income exemption; and
 - (2) closes any open child care authorization, per OAC 340:40-9-3 notification requirements.
(b) A TANF recipient is never approved for Child Care and Development Fund subsidized child care and a child care earned income deduction during the same month. When a recipient received both during the same month for the same child, the worker follows overpayment procedures, per OAC 340:40-15.
3. The child is only predetermined eligible for a zero copayment when the person receiving the child's TANF benefit or SSI payment requests child care. When someone other than the person receiving the child's TANF benefit or SSI payment requests child care, the child's eligibility is based on the countable

income of the person applying. This situation may occur when parents share custody.

4. (a) Refer to DHS OKDHS Appendix C-4 for the income eligibility ~~threshold~~ thresholds.
(b) Refer to OAC 340:40-7-11 for types of income considered.
(c) Per OAC 340:40-7-12(7), household income is exempt when at least one child attends an Early Head Start-Child Care Partnership grant program or an Oklahoma Early Childhood Program and the household meets the income eligibility ~~threshold~~ thresholds per DHS OKDHS Appendix C-4.
(d) Document income eligibility in the FACS Interview Notebook under the Household and Income tabs.
5. A former TANF recipient must meet the income eligibility ~~threshold~~ thresholds per DHS OKDHS Appendix C-4. The TANF worker ~~must inform~~ informs the client of his or her potential eligibility for a child care benefit and document the offer in FACS ~~Case Notes~~ case notes. When it is determined the client does not meet the income eligibility ~~threshold~~ thresholds for subsidized child care, the worker provides resources and referral information. When child care is not needed, the worker documents the client's child care arrangements in FACS case notes. The worker provides working families with Earned Income Credit and the Child Tax Credit information and encourages them to apply for the tax credits.
6. When there is a tribal child care program in the county, the worker asks the client if ~~he or she~~ the client receives subsidized child care from the program. When the client qualifies for both programs and needs child care for two need factors, DHS OKDHS uses OAC 340:40 rules to determine eligibility and copayment for the hours subsidized child care is approved and the tribe uses tribal child care policy to determine eligibility and copayment for the hours it approves. An example of when DHS OKDHS and the tribe may approve child care for the same client is when DHS OKDHS approves child care for the client's work hours and the tribe approves child care for the client's school hours.

340:40-7-7. Establishing the need factor for child care

Revised 9-15-22 01-01-25

(a) **Establishing the need factor.** In order for children to be cared for in a safe environment while the parent or caretaker participates in an approved activity or for protective or preventive reasons, Oklahoma Human Services (OKDHS) provides subsidized child care benefits.

(1) The worker arranges to obtain need factor documentation from the client or collateral sources. ■ 1

(2) The worker and client negotiate the amount of travel time allowed for an activity based on what is a reasonable length of time. ■ 2

(3) The worker does not approve child care for the hours the child attends public or private school, Head Start, or an Early Head Start program. An Early Head Start-Child Care Partnership (EHS-CCP) grant program and an Oklahoma Early Childhood Program (OECPP) is exempt from this rule.

(b) **Need factor for single parent or caretaker families.** The need for subsidized child care is met when the:

- (1) parent or caretaker is employed, per Oklahoma Administrative Code (OAC) 340:40-7-8(a) at least 20 hours per week;
- (2) parent or caretaker needs sleep time during the day after working night hours when a feasible alternative is used at no cost to OKDHS during the night working hours, per OAC 340:40-7-8(a)(5);
- (3) parent or caretaker attends a training or formal education program designed to lead to employment, per OAC 340:40-7-8(b) and (c);
- (4) parent or caretaker attends high school, high school equivalency classes, literacy, adult basic education (ABE), or English as a Second Language (ESL) classes, per OAC 340:40-7-8(c);
- (5) parent or caretaker participates in Oklahoma Supplemental Nutrition Assistance Program (SNAP) Education and Training (E&T) Works (OK SNAP Works) activities, per OAC 340-7-8(d);
- (6) parent or caretaker participates in an approved Temporary Assistance for Needy Families (TANF) Work activity, per OAC 340:10-2-1; ■ 3
- (7) child needs care or supervision for part of the day as a protective or preventive service, per OAC 340:40-7-8(f);
- (8) child receives Supplemental Security Income (SSI) and needs care for enrichment purposes, per OAC 340:40-7-8(g); or
- (9) parent or caretaker needs child care to search for employment, per OAC 340:40-7-8(a)(6).

(c) **Need factor for two-parent or two-caretaker families.** Two-parent or two-caretaker families include two natural or adoptive parents, the natural parent and a stepparent, two grandparents, other relative married couples, or other non-relative married couples. When an unmarried couple applies, only the natural or adoptive parent must meet a need factor. ■ 4 The need for subsidized child care is met when:

- (1) both parents or caretakers work during the same hours they request child care, per OAC 340:40-7-8(a);
- (2) one or both parents or caretakers need sleep time during the day after working night hours when a feasible alternative is used at no cost to OKDHS during the night working hours, per OAC 340:40-7-8(a)(5). When both parents do not work night hours, one parent must work during the other parent's sleep time hours;
- (3) one parent or caretaker attends a formal education or training program, per OAC 340:40-7-8(b) or (c) during the same hours the other parent or caretaker works, per OAC 340:40-7-8(a);
- (4) both parents or caretakers attend high school, per OAC 340:40-7-8(c);
- (5) one parent or caretaker attends high school during the same hours the other parent or caretaker works or attends a formal education or post high school training program, per OAC 340:40-7-8(a) through (c);
- (6) one parent or caretaker attends high school equivalency classes, literacy, ABE, or ESL classes, per OAC 340:40-7-8(c)(2) or (3) during the same hours the other parent or caretaker works, per OAC 340:40-7-8(a); ■ 5
- (7) one or both parents or caretakers participates in OK SNAP E&T Works activities per OAC 340-7-8(d). When one parent or caretaker is not participating in OK SNAP E&T Works activities, he or she must meet a need factor during the same hours, per OAC 340:40-7-8;

(8) one or both parents or caretakers participate in approved TANF Work activities, per OAC 340:10-2-1. When one parent or caretaker is not participating in TANF Work activities, that parent must meet a need factor, per OAC 340:40-7-8 during the same hours; ■ 3

(9) the child needs care or supervision for part of the day as a protective or preventive service, per OAC 340:40-7-8(f);

(10) the child receives SSI and needs care for enrichment purposes, per OAC 340:40-7-8(g);

(11) one parent or caretaker is incarcerated and the other parent remains in the home. In this instance, the parent remaining in the home is treated as a single parent; or

(12) one or both parents or caretakers need child care to search for employment, per OAC 340:40-7-8(a)(6).

(d) **Need factor in joint custody cases.** When parents are separated or divorced and share custody of their child, voluntarily or through a court order, each parent's income and need for child care is considered separately. ■ 6

(e) **Need factor for a child attending an EHS-CCP grant program or an OECP.** A child attending an EHS-CC Partnership grant program or an OECP may be approved for a weekly unit type when the parent or caretaker qualifies for Child Care Subsidy and meets a need factor, per (b) or (c) of this Section for some of the EHS-CC Partnership grant program or OECP care hours. ■ 7

(f) **Activities that do not meet the need factor for child care.** The need factor for child care is not met and child care must not be approved for:

(1) job search for more than one three-month period every 12 months, per OAC 340:40-7-8(a)(6), unless the parent(s) or caretaker(s) is participating in TANF Work activities, per OAC 340:10-2-1;

(2) online Internet based or televised education or training courses when an instructor is not conducting a live broadcast and attendance is not required while the program is being broadcast, per OAC 340:40-7-8(b) and (c);

(3) undergraduate classes or other training not expected to lead to a degree or certificate of completion, per OAC 340:40-7-8(b) and (c);

(4) post graduate education, such as master's and doctoral programs; ■ 8

(5) two-parent or two-caretaker families when both attend a formal education or training program during the same days and hours;

(6) transportation only; ■ 9

(7) volunteer hours or jury duty; ■ 10

(8) hours a school-age child could attend a public or private school, but the parent or caretaker chooses to home school the child at night; and ■ 11

(9) children in Child Welfare Services foster care, when one or both foster parents do not meet child care eligibility rules, per OAC 340:75-7-65. ■ 12

INSTRUCTIONS TO STAFF 340:40-7-7

Revised 9-15-22 01-01-25

- 1. Refer to Oklahoma Administrative Code (OAC) 340:40-3-1 Instructions to Staff # 1 for instances when Child Welfare Services (CWS) staff completes the child care application.**

2. The amount of travel time approved varies depending on what is reasonable for the client. The worker asks the client how much time it takes to get to the work or training activity after dropping the child off at child care and then how long it takes to get from the work or training activity to the child care facility. When extra care is approved because the client must ride with another person whose schedule varies from the client or the client lives a long distance from ~~his or her~~ the job, the worker documents the reason on the application or in Family Assistance/Client Services (FACS) ~~Case Notes~~ case notes.
3. OAC 340:10-2-1 rules also apply to clients in sanctioned status participating in Temporary Assistance for Needy Families (TANF) Work activities prior to the TANF benefit being reopened. Child care may be approved for two parents to attend training or formal education classes when training or education is the TANF Work activity on each TANF Work plan.
4. A client may choose an alternative to subsidized child care unless that alternative is a spouse who does not meet a need factor, per OAC 340:40-5-1(4).
5. Child care is not approved for both parents to attend these classes at the same time.
6. The worker considers each parent's need factor as a single parent family unless a stepparent is also present.
 - (1) When only one parent qualifies for subsidized child care, approve only the days and hours of care needed while that parent has physical custody of the child.
 - (2) When both parents qualify for subsidized child care, two separate cases are established and the need factor must be met by each parent during the time that parent has physical custody of the child.
 - (3) The maximum amount of child care in both cases combined is never more than 31 calendar days per month.
 - (4) The weekly or blended unit type cannot be approved in either parent's case.
7. (a) When there is a joint custody arrangement and both parents are eligible for child care subsidy benefits or the child needs care from two different child care providers, a weekly unit type is not approved.
 (b) When another child not attending an Early Head Start – Child Care Partnership (EHS-CCP) grant program or an Oklahoma Early Childhood Program (OECF) is included in the household and receives child care, the child is only approved for care based on the days and hours the parent or caretaker meets the need factor, including travel time.
 (c) Per OAC 340:40-7-12(7), household income is exempt when at least one child attends an EHS-CCP grant program or an OECF and the household meets the income eligibility ~~threshold~~ thresholds, per Oklahoma Human Services Appendix C-4, Child Care Eligibility/Copayment Chart. Refer to Quest article "[Early Head Start – CCP Grant Facilities](#)" for a list of EHS-CCP grant programs.
8. The worker does not approve class hours for a master's or doctoral program unless they are a part of the client's TANF Work plan. Care may be approved during hours the student is employed.

9. Child care is never approved to transport a child to school when the parent or caretaker does not meet an allowable need factor during that time period.
10. (a) Volunteer hours required as part of a course or scholarship requirement may be approved, per OAC 340:40-7-8, Instructions to Staff # 12.
 (b) Programs, such as AmeriCorps, that provide a living expenses stipend are considered volunteer programs. A stipend is not considered a wage and persons participating in these programs do not meet the employment need factor.
11. A school-age child is defined as a child 4 years of age through 18 years of age. The worker does not approve child care for hours during the regular school day because school is a feasible alternative unless a:
 - (1) school-age child with disabilities receives shortened-day services from the local school system. In this instance, the worker may approve child care for the hours the child is not in school; or
 - (2) child is suspended or expelled from school and the school system verifies there is no other educational alternative available to the child.
12. (a) CWS staff processes child care applications made by foster parents. When a foster parent requests child care benefits from an Adult and Family Services worker, the foster parent is referred to the child welfare specialist assigned to the family.
 (b) A foster parent must meet a need factor in order to be approved for child care subsidy benefits, per OAC 340:75-7-65.

340:40-7-8. Defining the need factor for child care benefits

Revised 9-15-22 01-01-25 staff

- (a) **Employment.** Employment means the parent or caretaker earns wages for work performed or meets criteria, per (5) or (6) of this subsection. ■ 1
 - (1) The client must work at least 20 hours per week and provide proof of ~~his or her~~ the work hours. When the client has the flexibility to set his or her own work hours, the client and worker jointly determine if the client can reduce the number of hours the child needs care by rearranging the client's work schedule. This is especially important in two-parent or two-caretaker families. ■ 2
 - (2) The worker limits child care approval to the number of days and hours the client is working plus reasonable travel time. In two-parent or two-caretaker working families, the worker limits child care approval to the days and hours they work the same hours plus reasonable travel time. ■ 3
 - (3) To meet the employment need factor, the client must make at least minimum wage for the hours ~~he or she~~ the client works unless the client qualifies for an exception, per ~~(D)~~ or (E) of this paragraph. (A) through ~~(C)~~ (D) of this paragraph specifies the criteria for determining minimum wage.
 - (A) The federal government determines minimum wage.
 - (B) The worker reviews the pay information provided by the client to determine whether the client makes at least minimum wage.
 - (i) When the paycheck or employer statement shows the hourly pay rate, the worker compares it to the federal minimum wage.

- (ii) When the pay information provided does not show the client's hourly pay rate, the worker divides the number of hours the client works by the gross pay per pay period to determine the client's hourly pay rate.
- (iii) When the client is considered self-employed, per Oklahoma Administrative Code (OAC) 340:40-7-11(b)(2)(A), the worker divides the number of hours the client works by the net pay, after applicable business expenses, to determine the client's hourly pay rate. When the client and spouse are self-employed in the same business, the worker combines their work hours and divides the work hours by the net pay to determine their hourly pay rate.
- (C) When the client works for an employer who pays a set wage that is less than minimum wage, and the employer refuses to begin paying at least minimum wage, the worker denies child care benefits or, when at renewal, does not approve further care. ■ 4
- (D) When the client is self-employed or works for an employer who pays wages based on commission or other performance measures instead of a set wage, or does not make at least minimum wage, and the client has performed this work: child care is not approved.
- ~~(i) less than one year, the worker counsels with the client to develop a plan to increase his or her income to at least minimum wage before the renewal is due. ■ 5~~
- ~~When the client is not making at least minimum wage at renewal, further care is not approved. ■ 6~~
- ~~(ii) at least one year without any substantial change, the worker denies the child care subsidy benefit. ■ 7~~
- (E) When the client is an adoptive parent who meets criteria, per OAC 340:40-7-12(6), or is a caretaker who is not legally and financially responsible for the child, per OAC 340:40-7-6(a)(5), he or she is not required to make at least minimum wage for the number of hours worked.
- (4) A client employed and working from ~~his or her own~~ home may be approved for subsidized child care benefits in an out-of-home child care home or center when ~~he or she is~~ unable to work while the child is in the home. When the client has flexible work hours and can work while the child is in school, care is not approved. ~~When the client operates a licensed child care home, care is only approved in another licensed child care home or center when the client's own child places him or her over maximum licensed capacity. ■ 8~~ 5
- (5) Subsidized child care benefits may be approved for sleep time during the day when a parent or caretaker works night hours and a feasible alternative is used during the night working hours at no cost to Oklahoma Human Services. Night working hours are defined as the hours between 11:00 p.m. and 7:00 a.m. ■ 9 6
- (A) The maximum amount of time the worker may approve child care allows the client eight hours of sleep plus travel time to and from the provider.
- (B) In two-parent or two-caretaker families, care may only be approved for this reason when both parents or caretakers have night time jobs, or when one parent or caretaker has a night-time job and the other parent or caretaker works during the day while the other parent or caretaker is sleeping.
- (6) Subsidized child care benefits may be approved for the parent(s) or caretaker(s) to job search for one three-month period every 12 months: when needed. ■ 10 7

(b) **Training.** A training program is defined as a course of study that, when completed, qualifies a person to meet requirements for a job the client could not obtain without the certificate of completion, accreditation, or licensure. ■ 44 8 Child care may be approved for one parent or caretaker to attend a training program. In two-parent or two-caretaker families, the other parent or caretaker must work during the same hours.

(1) The training program must qualify to receive federal financial aid from the United States Department of Education (USDE) or other federal or state education funds. ■ 42 9

(2) Prior to initial approval for child care and at renewal, the client must provide proof of enrollment, the days and hours the client will be attending, and when he or she is expected to complete the program. ■ 43 10

(3) The program must require classroom attendance on a school campus with an instructor present. Child care is only approved for an online Internet based course or televised course when it is a live broadcast conducted by an instructor and attendance is required while the program is being broadcast. When the program is self-paced and the client may choose his or her own school hours, care is not approved. ■ 44 11

(4) The client must provide proof of progress at renewal. When the client is not making satisfactory progress, the worker does not approve further child care for this reason. ■ 45

(5) ~~Once~~ When the client completes a training program, further child care is not approved for training or education. The client is expected to look for jobs that require ~~his or her~~ the training credentials.

(6) In certain circumstances, the worker may approve child care benefits for a client to attend a second training program. The client must have been employed in a job requiring the training credentials he or she has for at least 12 months. ■ 46 13 Possible circumstances include ~~when:~~ (A) through (C) of this paragraph.

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

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

(C) ~~the~~ The client can establish receipt of the additional training will increase ~~his or her~~ earning potential. The client must provide proof the training credentials the client wants to obtain will result in a starting salary higher than ~~what he or she currently earns~~ the current salary.

(c) **Education program.** An education program may include: (1) through (4) of this subsection.

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

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

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

(B) The worker reviews the client's progress at renewal prior to approving further child care for this reason. ■ 47 14 At renewal, the client must provide a statement from the school that includes:

- (i) whether the client attends regularly;
- (ii) whether the client is making satisfactory progress;
- (iii) an estimated end date to complete the program; and
- (iv) the days and hours the client currently attends classes.

(C) When the client is not attending regularly or making satisfactory progress, further child care for this reason is not approved at renewal.

(3) **English as a Second Language (ESL) classes.** The program must require classroom attendance with an instructor present. Child care may be approved for one parent or caretaker to attend ESL classes when the client lacks proficiency in understanding, speaking, reading, or writing the English language. In two-parent or two-caretaker families, the other parent or caretaker must be employed during the same hours.

(A) The client must provide proof of enrollment, the days and hours the client attends, and the end date of the class prior to care being approved. When the class has open enrollment and no established end date, the client must provide proof of how often progress is measured.

(B) The worker reviews the client's progress at renewal before approving further care for this reason. ■ 47 14 At renewal, the client must provide a statement from the school that includes:

- (i) whether the client attends regularly;
- (ii) whether the client is making satisfactory progress;
- (iii) an estimated length of time needed to complete the program; and
- (iv) the days and hours the client currently attends.

(C) When the client is not attending regularly or making satisfactory progress at renewal, the worker does not approve further child care for this reason.

(4) **Formal education program.** A formal education program is defined as a course of study that leads to attaining an associate or bachelor's degree. Child care may be approved for one parent or caretaker to attend a formal education program and participate in activities required to maintain a scholarship. Only required scholarship

activities for scholarships disbursed through the school's financial aid office qualify for child care. In two-parent or two-caretaker families, the other parent or caretaker must work during the same hours.

(A) The formal education program must qualify to receive federal financial aid from USDE or other federal or state education funds. ■ 42 9

(B) Prior to initial approval for child care and at renewal, the client must provide:

(i) proof of enrollment in at least six credit hours;

(ii) the days and hours the client attends school or participates in activities required to maintain a scholarship; and

(iii) when the client expects to complete the degree. ■ 43 10

(C) The degree program must require classroom attendance on the school campus with an instructor present. Child care is only approved for an online Internet based course or a televised course when it is a live broadcast conducted by an instructor and attendance is required while the program is being broadcast. When the program is self-paced and may be completed whenever the client chooses, child care is not approved. ■ 44 11

(D) The worker must request proof of progress at renewal when the class schedule does not show the client is progressing from freshman level classes to sophomore, junior, and senior level classes. When the client is not making satisfactory progress at renewal, the worker does not approve further child care for this reason. ■ 45 12

(E) Once the client completes a bachelor's degree, further care is not approved for training or education. The client is expected to look for jobs that require a degree.

(F) In certain circumstances, the worker may approve subsidized child care benefits for a client to obtain a different bachelor's degree. The client must first have been employed in a job that ~~required~~ requires the client's current degree ~~he or she already has~~ for at least 12 months. ■ 46 13 Possible circumstances include when:

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

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

(iii) the client can establish receipt of the second degree will increase ~~his or her~~ earning potential. The client must provide proof that the second degree the client wants to obtain will result in a starting salary higher than what ~~he or she~~ the client currently earns.

(d) **Oklahoma Supplemental Nutrition Assistance Program Works (OK SNAP Works) related child care.** Subsidized child care benefits may be provided for OK SNAP Works component assignments and activities, per OAC 340:50-5-106. ■ 48 15

(1) Prior to approval, the OK SNAP Works coordinator confirms with the contracted service provider the:

- (A) component assignment or activity is part of OK SNAP Works;
- (B) assigned start date; and
- (C) the activity's scheduled days and hours.

(2) When a parent or caretaker stops participating in OK SNAP Works component assignments or activities for reasons other than employment, child care is continued for an additional 90-calendar days from the date the client stops participating. ■ ~~49~~ 16

(e) Temporary Assistance for Needy Families (TANF) related child care.

(1) TANF related subsidized child care benefits may be provided for:

(A) any TANF Work activity outlined on the client's Form 08TW002E, TANF Work/Personal Responsibility Agreement, per OAC 340:10-2-1, including when the person is sanctioned, per OAC 340:10-2-2, and participating in TANF Work activities; ■ ~~20~~ 17

(B) substance abuse treatment when the parent of a child receiving TANF is ineligible for TANF due to the illegal use of a controlled substance or substances, per OAC 340:10-4-1. ■ ~~24~~ 18 Prior to approval, the parent must provide proof of the substance abuse treatment plan from the treatment provider; or

(C) a child receiving a child only TANF benefit when the parent or caretaker relative meets a need factor included in this Section. ■ ~~22~~ 19

(2) When the parent or caretaker relative receiving TANF-related subsidized child care stops meeting a need factor, the worker continues subsidized child care benefits for 90-calendar days. ■ ~~23~~ 20

(f) Protective or preventive child care. Subsidized protective or preventive child care benefits may be used as an early intervention strategy in certain critical situations to help prevent a child's neglect, abuse, or exploitation. The worker may approve child care in these situations to help stabilize the family or enhance family functioning. In most instances, Child Welfare Services (CWS) staff completes protective or preventive child care requests when they are working with the family and recommending protective or preventive child care. Subsidized protective or preventive child care benefits are approved on a temporary basis. The worker helps the family develop a plan to reduce or eliminate the need for such child care beginning with the initial contact.

(1) Reasons protective or preventive child care may be approved include, but are not limited to, when:

(A) an outside agency contracting with CWS to provide Comprehensive Home-Based Services (CHBS) for a non-court involved family recommends child care be provided on a temporary basis; ■ ~~24~~ 21

(B) the parent or caretaker requests child care because of a medical condition that prevents the parent or caretaker from properly caring for the child;

(C) a homeless family requests child care while working to stabilize the family. ■ ~~25~~ 22 "Homeless" means the family lacks a fixed, regular, and adequate night time residence, and includes families who:

- (i) temporarily share housing with other persons due to loss of housing, economic hardship, or a similar reason; ■ ~~26~~ 23

- (ii) temporarily live in motels, hotels, trailer parks, or camping grounds due to the lack of alternative accommodations; ■ 27 24
- (iii) live in emergency or transitional shelters; or
- (iv) live in cars, parks, public spaces, abandoned buildings, substandard housing, bus or train stations, or similar settings not designed for, or ordinarily used, as a regular sleeping accommodation for human beings; or
- (D) a family affected by a natural disaster requests child care to deal with the natural disaster's effects, such as home damage or loss following a fire, flood, or tornado. ■ 28 25
- (2) The worker may approve subsidized protective or preventive child care benefits for a maximum of 30-calendar days. ■ 29 26
- (3) When the family requests more than 30-calendar days of subsidized protective or preventive child care benefits, the worker must obtain approval from Adult and Family Child Care Services (CCS) Child Care Subsidy Unit staff before authorizing more care. ■ ~~30~~ 27 Prior to requesting an extension, the client must provide a written recommendation from a professional working with the family stating: ■ 34 28
 - (A) the names and ages of the children for whom child care is recommended;
 - (B) the reason child care is recommended;
 - (C) the days and hours child care is needed;
 - (D) how placing the child in a child care facility helps to prevent neglect, abuse, or exploitation of the child; and
 - (E) the length of time the professional expects care to be needed.
- (4) A family receiving CHBS services is not responsible for paying a copayment. Depending on other families' unique circumstances, the worker may or may not be expected to help pay the cost of the subsidized child care benefits depending on the unique circumstances of the family. ■ 32 29
- (5) In certain circumstances, families who are financially ineligible for subsidized child care benefits may be approved for protective or preventive child care benefits when the child is in danger of neglect, abuse, or exploitation. The client must provide evidence the family is so burdened by debt the additional financial pressure of paying for child care may result in further deterioration of family stability and functioning. The client must also provide a plan for reducing his or her debt. ■ ~~33~~ 30
- (g) **Enrichment.** The purpose of subsidized enrichment child care benefits is to assist a child receiving Supplemental Security Income (SSI) to develop socialization skills and transition into a group setting, such as a classroom. Children who do not receive SSI benefits are not eligible for subsidized enrichment child care benefits.
 - (1) The need for subsidized enrichment child care benefits is based solely on the child's delay or disability needs instead of the parent's or caretaker's activities. ■ 34 31
 - (2) Enrichment child care is limited to a maximum of two days per week not to exceed 10 full-time or part-time days per month.
 - (3) The parent or caretaker must provide a written recommendation from a professional working directly with the child that states how child care would be beneficial to the child. The professional could be the child's doctor, occupational therapist, physical therapist, or special education teacher.

(4) Enrichment child care is only approved for a child who has not started school, Head Start, Early Head Start, or an Oklahoma Early Childhood Program unless, due to the child's disabilities, the child receives teacher instruction in his or her home. ■ ~~35~~ 32

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

(6) The worker obtains approval from ~~AFS~~ CCS Child Care Subsidy Unit staff prior to authorizing care for this need factor. ■ ~~36~~ 33

INSTRUCTIONS TO STAFF 340:40-7-8

Revised ~~9-15-23~~ 01-01-25 day

1. (a) Some clients work at jobs where they are paid at least minimum wage, but Oklahoma Human Services (OKDHS) does not count the income because the income comes from exempt sources, per Oklahoma Administrative Code (OAC) 340:40-7-12. The client meets the employment need factor even though the income is not counted when working at least 20 hours per week.
(b) Bartering for services in exchange for work performed does not meet the employment definition. Examples of bartering include working in exchange for rent, utilities, or a car payment.
(c) Gambling does not meet the self-employment definition.
2. (a) When the parent or caretaker is employed, the worker accepts the client's declaration of work hours as proof, when pay stubs or other pay information supports the declaration. For example, when the client provides pay stubs or other pay information indicating the parent or caretaker works 30 to 40 hours a week and the client states the schedule is Monday through Friday 8:00 a.m. to 5:00 p.m., the worker accepts the declaration. The worker documents the work-schedule declaration in the Family Assistance/Client Services (FACS) case notes.
(b) When the client is an adoptive parent who meets criteria, per OAC 340:40-7-12(6), or a caretaker not legally and financially responsible for the child, the client must provide the work schedule, or the worker must verify the work schedule with the employer. Pay information is not required. When the adoptive parent or caretaker chooses to provide pay stubs, the worker accepts the client's declaration of work hours as described in (a) of this Instruction. The worker documents the work schedule and how it was verified in FACS case notes.
(c) When part of the client's work duties involves staying overnight away from home or working split shifts, the worker uses his or her judgment to determine the unit number and unit type to approve.
(d) When the client starts working, the worker approves the maximum amount of care the client may need. For instance, an employer statement may say the client works three to five days per week. The worker initially approves care for five days per week. The worker reevaluates the amount of care approved when actual pay is requested at renewal, per OAC 340:40-9-1. Care may be reduced or increased depending on how many days and hours the client worked during that period.

(e) When the client has been employed for at least 30-calendar days, the worker evaluates the actual number of days and hours the client worked to determine the number of units and unit type to approve, unless there is reason to expect the work schedule to change. The worker documents how the worker determined the number of units and unit type approved in the FACS Child Care tab and case notes.

(f) Clients who have the flexibility to set their own work hours are most often self-employed. When the client is self-employed, the worker may accept the client's statement regarding work hours when it appears reasonable and meets the minimum wage requirement, per OAC 340:40-7-8(a)(3). When the children attend school or Head Start, in most instances, it is reasonable to expect the client to work during those hours. When it is not reasonable, the worker documents why in FACS case notes. When child care is requested in two-parent or two-caretaker families for self-employment, the worker determines whether self-employment work hours could be adjusted to reduce or eliminate the need for child care.

3. Exception to (a)(2) of this Section: Regardless of the parent's or caretaker's schedule, the worker approves a weekly unit type for children attending an Early Head Start-Child Care Partnership (EHS-CCP) grant program or an Oklahoma Early Childhood Program (OECF), provided a need factor is met for some of the EHS-CCP grant program or OECF care hours. For example, the parent or caretaker may work part-time, but the authorization is coded with a weekly unit type. When another child not attending an EHS-CCP grant program or an OECF is included in the household and receives child care, the child is only approved for the days and hours the parent or caretaker meets the need factor, including travel time. Refer to Quest article "Early Head Start – CCP Grant Facilities" for a list of EHS-CCP grant programs.
4. The worker refers the client to the Oklahoma Department of Labor (ODOL) to file a complaint when the employer is not paying minimum wage.
5. (a) Counseling may include:
 - (1) helping the client determine if this is the client's best employment field;
 - (2) referring the client to the Oklahoma Employment Security Commission (OESC) for help in locating other employment;
 - (3) helping the client develop an action plan to increase earnings;
 - (4) referring the client to a local resource that helps with small business planning. Most technology centers offer this type of service; or
 - (5) referring the client to ODOL to file a complaint when the employer is not paying minimum wage.
- (b) The worker and client decide jointly what plan to implement to increase the client's income, by what date the plan may be accomplished or progress made, and when to reevaluate the plan.
- (c) The worker documents the approved child care plan hours, what plan the client agreed to follow to increase income, and why any subsequent changes are made to the child care plan in FACS case notes.
6. The worker consults with his or her supervisor before closing or denying benefits and documents the discussion in FACS case notes.

- ~~7. When substantial changes occur, such as illness, a change in business location, or unforeseen circumstances, the worker consults a supervisor, and the supervisor emails AFS.ChildCare@okdhs.org for guidance before taking action.~~
- ~~8. (a) When the client works from home, the worker determines how flexible the client's work hours are and if other options are available instead of subsidized child care benefits. The worker documents all details of the client's situation and what decision was made in FACS case notes.~~
- ~~(b) Licensed capacity for a family child care home is seven or fewer children. Licensed capacity for a large family child care home is eight to 12 children.~~
- ~~(1) The provider's children, younger than 5 years of age, count toward licensed capacity regardless of whether the licensed child care home is the primary residence or located elsewhere.~~
- ~~(2) When the licensed child care home is not the primary residence, the provider's children, younger than 13 years of age, present in the child care home count toward licensed capacity.~~
- ~~(3) The worker consults with Child Care Services (CCS) licensing staff to determine if a client, who operates a child care home in the client's residence, will be over capacity if his or her child(ren) remains in the child care home during business hours. When the answer is yes, the worker may approve subsidized child care for the child(ren) in another licensed facility. The worker documents the CCS consultation determination in FACS case notes. Refer to OAC 340:110-3-84 and 340:110-3-97.1 for licensing guidelines.~~
- 96. (a) Sleep-time child care is only approved for working families. Child care is not approved for two-parent or two-caretaker families when one parent goes to school during the day.**
- (b) The policy's goal is to allow a parent or caretaker to get seven-to-eight hours of sleep. The maximum care is not approved when the client has the opportunity to sleep while the child is sleeping. For example, when a parent or caretaker's work schedule is from 10:00 p.m. to 4:00 a.m., the worker does not approve eight child care hours since the parent or caretaker may sleep for three-to-four hours before the child wakes up. Sleep time begins when the parent or caretaker arrives home from work.**
- 107. The worker approves job search child care for three months. Once child care is approved, the worker immediately closes the benefit using the FACS Eligibility Notebook Child Care tab effective three months in the future. Closing the Child Care tab closes the authorizations automatically. When a client requests a provider change during the three-month job search period, the worker uses the incorrect begin date process to complete the change. Refer to the Quest article "Incorrect Begin Date" for coding instructions.**
- 148. (a) When the client receives Temporary Assistance for Needy Families (TANF) and the training is approved as a TANF Work activity, child care may be approved, per OAC 340:10-2-1.**

(b) Examples of questionable programs may include programs for nurses' aides, data entry clerks, or cashiers. When the worker questions if a particular training program will make a person more employable, the worker may:

(1) check with employers in the area that employ people with this skill to determine if they require a certificate, accreditation, or license. When they do not require one, but pay more when the person has credentials, the worker approves child care for the training;

(2) contact a Work Innovation and Opportunity Act counselor or an OESC Oklahoma Employment Security Commission employee to determine when a person is required to meet general training requirements prior to becoming employed in the field; or

(3) require the client to provide documentation showing how the training program helps the client become more employable.

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

429. When the client does not receive financial aid, and the worker does not know if the school is eligible to disburse federal or state educational funds, the worker calls the school for confirmation.

4310. (a) The worker verifies the days and hours the client attends school by obtaining a copy of the client's training or class schedule, documentation from the school showing the client's schedule, or by calling and verifying the schedule with school officials. Child care is limited to actual classroom attendance, including travel time.

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

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

The worker verifies the scholarship by obtaining a:

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

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

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

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

- (f) When the client stops attending school during the eligibility period, child care must be continued until renewal.
- (g) When a renewal is due between semesters or during school breaks, child care is continued as long as the client remains eligible and returns to classes following the break. Continued enrollment verification is required.
- 1411.** Child care is only approved for televised courses when the client views the training during the live broadcast because class participation is required. If the client views the broadcast video whenever it is convenient, child care is not approved for those hours.
- 1512.** If When still attending school at renewal and progress is questionable, the client provides a current class schedule and a statement from the school verifying that the client is making satisfactory progress.
- 1613.** The intent of the work requirement is for the client to gain work experience and to make use of the training the client has received. When special circumstances exist that make the requirement unreasonable, the worker may consult a supervisor, and the supervisor emails ~~Adult and Family Services (AFS) Child Care Services (CCS)~~ Child Care Subsidy Unit staff at ~~AFS.ChildCare@okdhs.org~~ ChildCareSubsidy@okdhs.org requesting special approval. When the Subsidy Unit grants the request, the worker documents the special circumstances in FACS case notes.
- 1714.** The goal is for the client to complete the program as quickly as possible.
- 1815.** When the client begins participating in Oklahoma Supplemental Nutrition Assistance Program Works (OK SNAP Works) component assignments and activities, the OK SNAP Works program coordinator authorizes the child care.
- 1916.** (a) The worker closes the FACS Child Care tab (E-section) using the appropriate reason code. The effective closure date is 90-calendar days from the date the client stops participating in OK SNAP Works.
- (b) When the client obtains employment and the child care renewal is due, the worker:
- (1) completes a child care renewal, per OAC 340:40-9-1; and
 - (2) changes the number of units and unit type and, when owed, assesses a family share copayment. The family share copayment is effective the next deadline date, per Appendix B-2, Deadlines for Case Actions and documents changes in FACS case notes.
- (c) When the client obtains employment and the child care renewal is not due, the worker calculates income, per OAC 340:40-7-10 and OAC 340:40-7-13, to determine if the client remains income eligible, per OKDHS Appendix C-4. When the client remains income eligible, the worker increases the number of units and unit type, when needed, and makes the income change. The worker does not decrease the number of units and unit type or increase the family share copayment until the renewal is due, per OAC 340:40-9-2(b).
- 2017.** Child care is limited to the days and hours needed to complete the TANF Work activity plus travel time.
- 2118.** (a) To approve child care, the worker uses reason code 5, "TANF – substance abuse treatment" in the Auth. Daycare tab.

(b) Refer to OAC 340:40-7-6(c) for rules regarding periods of absence from the home when the parent attends in-patient substance abuse treatment.

2219. When a parent or relative caretaker receives a child care TANF benefit, the parent or relative caretaker must meet a non-TANF Work need factor. Reasons a parent may not be included in a TANF benefit include when the parent:

- (1) is ineligible for TANF due to the illegal use of a controlled substance or substances;
- (2) is an ineligible alien; or
- (3) receives Supplemental Security Income, a State Supplemental Payment, or both.

2320. To continue the child care for 90-calendar days, the worker closes the FACS Child Care tab (E-section) using the appropriate reason code. The effective closure date is 90-calendar days from the date the client stops participating in TANF Work activities or no longer meets a non-TANF Work need factor.

2421. (a) When the Child Welfare Services (CWS) specialist considers the family at risk for child abuse or neglect, but the family is not court involved, the CWS specialist contracts for Comprehensive Home-Based Services (CHBS) with Oklahoma Children's Services. When CWS is not maintaining an open CWS case, the AFS worker completes the application for subsidized protective or preventive child care benefits. The CHBS case manager assists the family in applying for subsidized child care benefits. When approved, families receiving CHBS services are approved with a zero family share copayment. To verify the need for child care, the CHBS case manager provides a written statement to the AFS worker indicating:

- (1) the names and ages of the children for whom child care is needed;
- (2) why child care is needed and how it may eliminate or reduce the risk to the children;
- (3) what days and hours child care is needed; and
- (4) how long child care is expected to be needed.

(b) The worker scans uploads the CHBS case manager's statement into imaging the case record. When more than 30-calendar days of child care are needed, the AFS worker consults a supervisor, and the supervisor sends an email to AFS.ChildCare.org ChildCareSubsidy@okdhs.org requesting approval to the AFS CCS Child Care Subsidy Unit staff.

(c) In the FACS Eligibility Notebook Auth. Daycare tab "reason" field, the worker enters "prevention of or protection from abuse, neglect, or exploitation."

2522. (a) Protective or preventive child care allows homeless families to stabilize their living arrangements.

(b) The worker may approve a homeless family for a weekly or blended unit type for the initial 30-calendar days.

2623. (a) Temporarily means the applicant family has not shared housing with another household for more than 90-calendar days prior to the application date.

(b) Voluntarily sharing housing with another household to reduce expenses does not meet the homeless definition.

- 2724.** (a) Temporarily means the family applying for child care has not lived in a hotel, motel, or camping ground for more than 90-calendar days prior to the application date.
- (b) Permanent residence in a mobile home park does not meet the homeless definition.
- 2825.** (a) Protective or preventive child care allows families affected by disasters to stabilize their living arrangements.
- (b) The worker may approve a family affected by a disaster meeting the protective or preventive need factor for a weekly or blended rate for the initial 30-calendar days.
- (c) When the client requests more than 30-calendar days of protective or preventive child care due to a disaster, the client must provide verification from an agency working with the family that their home was affected by a disaster. The worker must request an extension and receive approval from AFS CCS Child Care Subsidy Unit staff as outlined in (f)(3) of this Section before approving further child care for this reason.
- 2926.** (a) For initial applications, a full eligibility determination is made, including an interview. The interview may occur over the phone. The client's need declaration is accepted for the initial 30-calendar days of protective or preventive care.
- (b) When the worker approves the initial 30-calendar days of protective or preventive child care benefits, an end date is entered on the authorization to ensure further child care is not authorized without AFS CCS Child Care Subsidy Unit staff approval.
- 3027.** (a) When an extension for protective or preventive child care is needed, the worker scans uploads verification supporting the child care need into Imaging the case record and labels the verification as a protective or preventative preventive request. The worker asks a supervisor to send an email to the AFS CCS Child Care Subsidy Unit staff to request the extension and informs staff the verification is in imaging the case record. For most protective or preventive extension requests, the email must include:
- (1) the names and ages of all children for whom child care is needed;
 - (2) an explanation of the reason child care is needed, the circumstances leading to the conclusion the child is at risk of neglect, abuse, or exploitation, and how child care may eliminate or substantially reduce risk to the child;
 - (3) an explanation of whether a CWS referral was made, and if not, the reason, and any coordination efforts between AFS staff, CWS staff, and any other community partners;
 - (4) the days and hours child care is requested for each child;
 - (5) an explanation of the support system available to the family;
 - (6) an explanation of the plan discussed at the initial interview to reduce or eliminate the need for child care, including an exploration of any free alternative to child care. Examples include other family members' availability, Head Start, pre-kindergarten programs, and Early Head Start;
 - (7) the length of time child care is needed;

(8) an explanation when the worker requests the family share copayment be reduced or completely waived because of family expenses. The worker also includes an explanation of the plan to decrease the debt; and

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

(b) AFS CCS Child Care Subsidy Unit staff approves protective or preventive requests for no more than 12 months at a time. When the client requests another extension at renewal, the supervisor sends a new email that includes more detail regarding the efforts made to reduce or eliminate the need for protective or preventive child care since the last approval. When the client's need was not previously protective or preventive, at renewal, prior to continuing child care, a request must be sent to CCS Child Care Subsidy Unit staff for approval.

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

3428. The professional is required to be someone currently working with the family in a professional capacity to improve the family's stability or functioning. Examples include a doctor, counselor, therapist, CWS specialist, SoonerStart worker, or CHBS case manager.

3229. (a) The worker documents why the worker is requesting a family's normal family share copayment be reduced or eliminated and how the family plans to increase its responsibility toward paying the family share copayment in the future. The supervisor emails this documentation to the AFS CCS Child Care Subsidy Unit.

(b) A family share copayment is not assigned to CHBS protective or preventive child care approvals.

(c) When income is considered for other AFS benefits the family receives, the worker diverts the income in the FACS Child Care tab, "total diverted income" field E47.

3330. The worker may help the client develop a budget that decreases the debt or refer the client to Consumer Credit Counseling or another local resource for help. This plan is included in the email.

3431. Enrichment child care is not approved when the parent or caretaker meets another need factor.

3532. The client provides documentation from the school verifying the child is unable to attend class. The worker enters what documentation was provided in FACS case notes.

3633. (a) The worker ~~scans into imaging~~ uploads the written documentation the client provides from a professional who is working directly with the child and asks a supervisor to send the email to the AFS CCS Child Care Subsidy Unit staff for approval. The email includes:

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

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

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

(b) **AFS CCS Child Care Subsidy Unit** staff reviews the email and documentation and emails the supervisor and worker to approve or deny child care. ~~When approved, child care is authorized for no more than six months at a time.~~

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

(d) For information about the approval process for the higher special needs rate unit type, refer to OAC 340:40-7-3.1.

340:40-7-10. General provisions regarding income

Revised ~~3-4-19~~ 01-01-25

(a) **Income considered.** Available and anticipated income, except that required to be disregarded by law or Oklahoma Department of Human Services (~~DHS~~) (OKDHS) policy, per Oklahoma Administrative Code (OAC) 340:40-7-12, is considered when determining a client's eligibility for child care subsidy benefits per this Section and OAC 340:40-7-11.

■ 1

(b) **Reporting requirement.** The client must report all sources of income at application and as changes occur, per (e) of this Section and OAC 340:40-9-2.

(c) **Income from a new source.** Income from a new source is only considered for the approval month when a full check is received on or prior to the certification date. Income is anticipated and considered for the next month when a full check from the new source is expected to be received by the first of the month. When a full check is not received by the first of the next month, it is anticipated and considered for the third month before income is set for the remainder of the eligibility period. ■ 2

(d) **Past income.** Past income is not used to anticipate future income for any month in which an income change occurred or employment ended.

(e) **Increased income between eligibility determinations.** Between eligibility determinations, per Section 98.21(e)(1) of Title 45 of the Code of Federal Regulations, the client is only required to report income changes within 10-calendar days of the date the change occurs, when the household's gross income exceeds the exit income eligibility threshold for the family size, per ~~DHS~~ OKDHS Appendix C-4, Child Care Eligibility/Copayment Chart.

(1) A computer-generated notice issues at certification and renewal informing the client of the current income eligibility threshold for his or her family size and instructs the client to report when the household income exceeds this amount.

(2) When income exceeds the exit income eligibility threshold, the worker closes the child care benefit for the next advance-notice effective date per OAC 340:40-9-2(f).

(f) **Decreased income after approval.** When income decreases after approval, the worker makes the change for the current month, when appropriate, or by the next non-advance notice effective date per Oklahoma Department of Human Services (~~DHS~~) OKDHS Appendix B-2, Deadlines for Case Actions. ~~Once~~ When income decreases, it is not increased until the renewal month per (e) of this Section. ■ 3

(g) **Garnished income.** When a person's income is reduced due to garnishment, the gross amount before the garnishment is counted as income.

(h) **Withheld or returned payments not considered as income.** Payments not considered as income are:

- (1) monies withheld from any income source to repay a prior overpayment received from that same source;
- (2) monies voluntarily or involuntarily returned to repay a prior overpayment received from that same income source; or
- (3) child support payments received by Temporary Assistance for Needy Families (TANF) recipients that must be sent to DHS OKDHS Child Support Services to maintain TANF eligibility.

(i) **Withheld or returned payments considered as income.** Monies withheld or returned to repay overpayments in federal, state, or local means tested assistance programs are not excluded when they are withheld or returned to repay overpayments resulting from intentional program violation as established by the agency administering the program. ■ 4

INSTRUCTIONS TO STAFF 340:40-7-10

Revised ~~3-1-19~~ 01-01-25

1. Refer to Oklahoma Administrative Code (OAC) 340:40-7-8(f) for information regarding when income may be disregarded for protective or preventive child care.
2. (a) For an initial application, only consider a new source of income for the application month when the applicant received at least one full-pay period of income from that source on or prior to the certification date. Terminated income from another source is considered only for the month it is received.
 (b) When the client begins new employment earning less than the minimum wage but receives tips, such as \$2.13 per hour plus tips, the income must be calculated using the minimum wage multiplied by the hours worked unless the employer refuses to supplement wages to at least minimum wage. In this circumstance, the worker denies the application and refers the client to the Oklahoma Department of Labor to file a complaint.
 (c) Refer to OAC 340:40-3-1(b) for expedited presumptive eligibility processing and OAC 340:40-7-13 for computation of income. Refer to OAC 340:50-7-46 for differences in computing anticipated income for food benefits and OAC 340:10-3-58 for Temporary Assistance for Needy Families (TANF).
 (d) When the applicant is eligible for child care for the month of application because income from a new source is not considered, but is not eligible, per DHS OKDHS Appendix C-4, Child Care Eligibility/Copayment Chart for the next month when income is considered, the worker uses the unfinished issuance process to approve child care benefits for the application month and closes child care benefits for the next month. For unfinished issuance coding instructions, refer to the [Unfinished Issuance Examples & Coding](#) article in Quest.
3. When new income decreases the family share copayment, the worker makes the change effective for the current month when appropriate. The worker counts actual income received, including any terminated income, before lowering the family share ~~co-payment~~ copayment for the current month.
4. In the Child Care Subsidy Program, Supplemental Nutrition Assistance Program, and TANF fraud is considered an intentional program violation. In

State Supplemental Payment willful misrepresentation changes to fraud, following a judicial court decision, per OAC 340:65-9-2. An intentional program violation for Social Security, Supplemental Security Income, and Veterans' Assistance is fraud.

340:40-7-13. Computation of income

Revised ~~3-1-19~~ 01-01-25

(a) **Ongoing income.** Income from an ongoing source received regularly but in amounts that vary, or income received irregularly, is averaged over a minimum of 30-calendar days unless the client has not received at least 30-calendar days of representative income. ■ 1

This includes overtime pay, irregular child support, and other occasional increases or decreases in monthly gross income. When income is received more often than once per month, the income is converted to a monthly amount. ■ 2

(b) **Income verification.** The worker verifies the household's income using the best available information. ■ 3

(1) When at application or renewal the person received at least 30-calendar days of income, the best available information is normally the person's pay stubs or an employer statement. When neither source is available, the worker uses whatever records are available that best establish the income already received and expected for future months. ■ 4

(2) When the client's ongoing employment income changed and the last 30-calendar days of income is not indicative of future earnings, the best available information may be an employer statement. When work hours remain the same but the client received a pay raise, the worker averages the person's work hours over the last 30-calendar days and multiplies the averaged hours by the new pay rate. ■ 5

(3) For earned income, pay stubs are used for verification only when the client's name or Social Security number, date(s) of the pay period, and amount of income before deductions are shown on the pay stub. When this information is not shown on the pay stub, or pay stubs are not available, phone contact with the employer or an employer statement is required.

(4) When a household member starts a new job, the worker verifies the person's start date, date the first full paycheck is expected to be received, hourly rate, and anticipated number of hours per week. ■ 6

(c) **Income calculations at initial certification.** For an initial certification, the worker calculates income using procedures in (1) through (4).

(1) When household income is ongoing, the worker uses actual income received for the approval month, except when:

(A) all income for the month has not been received and verified. When this occurs, the worker uses any full representative paychecks to anticipate income not yet received for the approval month and future months; or

(B) the person received an additional check in the approval month due to a third or fifth week. When this occurs, the worker averages the last 30-calendar days of income for the approval month and future months.

(2) When income is ongoing and actual income is used for the approval month, the worker averages the last 30-calendar days of representative income and converts it to a monthly amount for the following month.

(3) When income is from a new source and the person did not receive any income as of the approval date, the worker does not consider income for the approval month per Oklahoma Administrative Code (OAC) 340:40-7-10.

(A) Income expected to be received in the month following the approval month is anticipated and considered when a full check is expected to be received on or before the first of the month following the approval month. ■ 7

(B) When only partial earnings are expected to be received in the month following the approval month, earnings are not considered until the next month. ■ 8

(4) The worker adds together all countable earned and unearned income to arrive at the household's gross income.

(d) **Income calculation at renewal.** To calculate income at renewal, the worker determines eligibility based on circumstances anticipated for future months using the best information available.

(1) The worker adds together all countable earned and unearned income to arrive at the household's gross income.

(2) When the household reports earned income from a new source at renewal, the worker considers the earned income effective the first month a full check is expected to be received by the first of that month. ■ 9

(e) **Income deduction.** After computing gross income, the worker subtracts any verified, legally-binding child support payments paid by a household member to or for a non-household member, including child support and child care support payments made to a third party on behalf of the non-household member. ■ 10

(f) **Income eligibility threshold thresholds.** The worker uses Oklahoma Department of Human Services Appendix C-4, Child Care Eligibility/Copayment Chart to determine if the household meets the income ~~threshold~~ thresholds, per Section 98.20(a)(2) of Title 45 of the Code of Federal Regulations.

INSTRUCTIONS TO STAFF 340:40-7-13

Revised ~~3-1-19~~ 01-01-25

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

(b) **When the worker computes income in the same case for multiple programs and the programs compute income differently, the worker may use the "total diverted" field E47 in the Family Assistance/Client Services (FACS) Eligibility Notebook Child Care tab (Section E) to ensure income is correctly computed for child care. The "total diverted" field is most often used for the initial approval month when other programs count anticipated income before the applicant receives a full paycheck. The worker, in this instance, removes income from the divert field effective the month the income is countable.**

2. (a) **When the amounts to be converted differ, such as fluctuating daily, weekly, or biweekly amounts, the worker obtains an average and the average is multiplied by 4.3, 2, or 2.15, whichever is applicable.**

(1) **Income received on a daily basis is:**

- (A) converted to a weekly amount and multiplied by 4.3 when there is a consistency in days worked each week and there is a regularity of pay dates; or
 - (B) averaged by calendar month when received at irregular intervals and there is no consistency in the work offered or when pay is received;
- (2) weekly is multiplied by 4.3;
 - (3) twice a month is multiplied by 2; or
 - (4) every two weeks is multiplied by 2.15.
- (b) The worker carries cents through all steps and then rounds to the nearest dollar when arriving at the monthly amount. The worker rounds one cent through 49 cents down and 50 cents through 99 cents up. The worker records income in the FACS Interview Notebook under the Income tab.
- 3. (a) Terminated income is counted only in the month received.
(b) Refer to Oklahoma Administrative Code (OAC) 340:40-7-10(c) for information regarding when to start counting income from a new source.
- 4. The worker documents in FACS ~~Case Notes~~ case notes how income was calculated and why the person's paystubs or an employer statement was not available.
- 5. (a) The worker uses the best available information and documents how income was calculated in FACS ~~Case Notes~~ case notes. For information regarding self-employment income calculation, refer to OAC 340:40-7-11(b)(2).
(b) When computing on-going income using pay stubs, the steps in (1) through (5) of this Instruction ensure more accurate earned income calculation.
 - (1) The client must provide the most recent 30-calendar days of pay stubs, when available.
 - (2) When consecutive pay stubs are not provided but pay dates are on the pay stubs provided, the worker may use the 'missing pay stub calculator' on Quest to calculate the missing pay stub amount.
 - (3) Gross income amounts are used in the calculation process.
 - (4) When hours worked fluctuate each pay period, the worker discusses the reason for varying hours, such as the employee missing work due to illness or hours fluctuating due to the amount of work performed with the client. The worker documents the discussion in FACS ~~Case Notes~~ case notes.
 - (5) The worker only uses pay stubs he or she determines are representative of future earnings for future months. When the worker excludes any pay stubs, he or she documents the reason they were excluded in FACS ~~Case Notes~~ case notes.
- 6. When the client has not received a full paycheck from new employment, it is appropriate to use an employer's statement or an employer-completed Form 08AD094E, Employment Verification. When the worker uses an employer's statement to calculate income, the income is converted to the 4.3, 2, or 2.15 calculation methods. For new self-employment, refer to OAC 340:40-7-11 Instructions to Staff # 6 and OAC 340:40-3-1(b).
- 7. When the client begins new employment earning less than minimum wage but receives tips, such as \$2.13 per hour plus tips, the income must be calculated using minimum wage multiplied by hours worked unless the employer refuses

to supplement wages to at least minimum wage. In this circumstance, the worker denies the application and refers the client to the Oklahoma Department of Labor to file a complaint.

8. (a) When income is not considered in the approval month but needs to be considered for future months, the unfinished issuance process is used so the family share copayment does not lock incorrectly.
 - (1) When a client has not received a full paycheck from new employment for the month of approval but will receive a full paycheck on or before the first of the second month, the worker diverts income from the new employment for the approval month and considers anticipated income in the second month of approval.
 - (2) When the first full paycheck is received after the first of the second month of approval, income from the new source must be diverted for the second month and the total anticipated income from the new employment is considered for the third month of approval.
- (b) When the applicant is eligible for child care for the month of application because income from a new source is not considered, but is not eligible, per the entry income threshold on the DHS Appendix C-4, Child Care Eligibility/Copayment Chart, for the next month when income is considered, the worker uses the unfinished issuance process to approve child care benefits for the application month and closes child care benefits for the next month. For unfinished issuance coding instructions, refer to the [Unfinished Issuance Examples & Coding](#) article in Quest.
9. When at renewal, the client starts new employment and has not received a full paycheck for the first month in the new eligibility period, the worker must:
 - (1) divert any income from the new employment for the first month of the new eligibility period;
 - (2) ensure the existing child care authorization is coded with the need factor of employment;
 - (3) send a Remedy ticket detailing what income must be considered for the second or third month of the eligibility period depending on when the first full paycheck is received. Remedy staff makes the income adjustments; and
 - (4) send the client Form 08MP038E, Client Notice on Action Taken, to inform him or her of the copayment changes.
- 10.(a) Child support is defined as any money court-ordered and designated to be paid for the support of a child. This may include, but is not limited to:
 - (1) child support, child support arrearages, medical insurance or other health care premiums, child care obligations, or other obligations specified in individual court or administrative orders; or
 - (2) money owed to a state for benefits provided for a child including, but not limited to, Temporary Assistance for Needy Families (TANF), SoonerCare (Medicaid), and foster care.
- (b) Before allowing a deduction for legally-binding child support payments, the worker obtains proof of the amount ordered and the actual support payments made each month.

(c) The worker enters the amount of child support paid to or for a non-household member in the Child Care tab of the FACS Eligibility Notebook in the "child support deduction" field (E46).

SUBCHAPTER 9. PROCEDURES RELATING TO CASE CHANGES

340:40-9-1. Renewal of child care eligibility

Revised 9-15-23 01-01-25

(a) **Child care renewal.** The client must complete the child care renewal at the end of the 12-month eligibility period to continue receiving benefits per Section 98.21(a) of Title 45 of the Code of Federal Regulations. Refer to Oklahoma Administrative Code 340:40-9-2(f) for reasons child care is closed prior to the renewal. ■ 1 At renewal, the client is sent a computer-generated notice informing the client:

- (1) the renewal is due;
- (2) the methods the client may use to complete the renewal;
- (3) types of verification that may be required; and
- (4) when benefits close if when the renewal is not completed.

(b) **Renewal time frame.** A child care renewal is due no earlier than 12 months from the approval date or the last renewal ~~unless the client receives Supplemental Nutrition Assistance Program food benefits and benefits must be synchronized per (f) of this Section.~~

(c) **Signature requirement.** The client or the client's authorized representative must sign the renewal. ■ 2

(d) **Interview requirement.** An interview is not required at renewal for the Child Care Subsidy Program. ■ 3

(e) **Eligibility determination.** An eligibility determination is made ~~once~~ when the renewal is signed and all required verification is provided and evaluated. ■ 4

- (1) The eligibility determination results in:
 - (A) completing the renewal without changes;
 - (B) completing the renewal with changes; or
 - (C) closing the child care benefits. ■ 5

(2) Benefits, when closed, may be reopened when the client provides required information within 30-calendar days of closure. ■ 6

(f) ~~**Synchronization of benefits.** When the client receives other Adult and Family Services benefits in addition to the subsidized child care benefits, certification and renewal dates must be coordinated with the other programs. ■ 7~~ **Graduated phase-out of subsidized care.** When the household's income at renewal exceeds the entry income eligibility threshold but remains below the exit income eligibility threshold, the household is eligible to receive 12 more months of subsidized care. The family share copayment is increased per the Oklahoma Human Services Appendix C-4, Child Care Eligibility/Copayment Chart.

INSTRUCTIONS TO STAFF 340:40-9-1

Revised 9-15-23 01-01-25

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

- (1) accessing www.okdhslive.org; or
 - (2) getting help from a community partner to access www.okdhslive.org.
- (b) Other methods the client may use to complete the renewal include:
- (1) downloading Form 08MP004E, Renew My Benefits, from www.okdhs.org and completing, signing, and submitting the form to an Oklahoma Human Services (OKDHS) office in person, by mail, fax, or email; or
 - (2) completing the renewal with a worker in a county office using the Family Assistance/Client Services (FACS) system.
- (c) When the client's Temporary Assistance for Needy Families (TANF) benefit closes and subsidized child care benefits are open, the worker must determine if the child care renewal is due.
- (1) When the child care renewal is due, the worker:
 - (A) evaluates if when there is a continued need for child care since the client is no longer involved in TANF Work activities. When there is not a continued need, the worker closes the child care benefit effective the last day of the renewal month. When there is a continued need, the worker determines if when changes in the number of units and unit type are needed;
 - (B) calculates the client's income to determine if when a family share copayment needs to be assessed. When the client is responsible for paying a family share copayment, the worker informs the client of the copayment amount. If When the client expresses concern about the client's ability to pay this copayment, the worker refers the client for budgeting assistance;
 - (C) makes changes in the number of units, unit types, or copayment effective the next deadline date, per OKDHS Appendix B-2, Deadlines for Case Actions; and
 - (D) documents the changes in FACS case notes.
 - (2) When the child care renewal is not due, the worker:
 - (A) does not assess a family share copayment until the renewal is due;
 - (B) informs the client that the client may be responsible for paying a family share copayment, when the renewal is due;
 - (C) determines if the client needs additional child care days and hours. When there is a need for increased care, the worker updates the number of units and unit type in the FACS Interview and Eligibility Notebooks' Child Care tabs; and
 - (D) documents changes in FACS case notes.
 - (3) When the client's TANF benefit closes, and subsidized child care benefits are needed but are not open, the worker completes a child care application with the client, per Oklahoma Administrative Code (OAC) 340:40-3-1. The worker must close the TANF benefit on the system prior to approving the child care application to ensure that a family share copayment is assessed based on the entry income eligibility threshold per family size, per Appendix C-4, Child Care Eligibility/Copayment Chart.
 - (4) When the TANF benefit closes due to a sanction because the client stops participating in TANF Work activities, the worker closes child care benefits

effective 90-calendar days from the date the client stops participating, per OAC 340:40-9-2(f)(4).

2. (a) An electronic signature is considered the same as a pen-and-ink handwritten signature.
(b) After the client signs the renewal, the worker documents additional information in FACS case notes.
3. When the worker interviews the client for the TANF or State Supplemental Payment renewal and completes the child care renewal at the same time, the worker documents interview details and eligibility information for both programs in FACS case notes.
4. (a) ~~Once~~ When the client completes the renewal, the worker analyzes the information to determine:
 - (1) what changes occurred;
 - (2) if the client provided all required verification. Required verification includes proof of income and when applicable, the client's current training or school schedule.
 - (A) The worker evaluates all income verification to determine what is most indicative of future earnings and compares the pay information to the client's declared work schedule. Refer to OAC 340:40-7-13 for income calculation procedures.
 - (B) When the client is employed, the worker accepts the client's declaration of work hours as proof as long as pay stubs or other pay information supports the declaration. For example, when the client provides pay stubs or other pay information indicating the client works 30 to 40 hours a week and the client states the schedule is Monday through Friday 8:00 a.m. to 5:00 p.m., the declaration is accepted. The worker documents the work-schedule declaration in FACS case notes.
 - (C) When the client is not required to provide pay information because the client is an adoptive parent who meets criteria, per OAC 340:40-7-12(6), or is a caretaker not legally and financially responsible for the child, the client's work schedule must be verified by the client or the worker. When the adoptive parent or caretaker chooses to provide pay stubs, the worker accepts the client's work hours declaration, per OAC 340:40-7-8 Instructions to Staff 2(b). The worker documents the work schedule and how the worker verified it in FACS case notes.
 - (D) When the client attends school or training, the client must provide a copy of the class schedule, per OAC 340:40-7-8 ITS # 13. When the client is unable to provide a written schedule, the worker verifies the information with the school or training facility. The worker documents how the worker verified the class schedule, including which days and hours the student attends, in FACS case notes; and
 - (3) what system changes must be made.
- (b) The renewal is complete after the worker:
 - (1) enters all renewal information in the FACS Interview and Eligibility Notebooks;

- (2) evaluates information contained on the renewal, in the verification the client provides or is verified by the worker, and on data exchange screens for changes;
 - (3) enters any additional information in FACS case notes to explain any changes made and how continued eligibility was determined;
 - (4) updates the system; and
 - (5) ~~images~~ uploads the signed renewal in the case record when the worker uses FACS or Form 08MP004E, Renew My Benefits, to complete the renewal. When the client submits the renewal via okdhslive.org, the system stores renewal information.
- (c) When the client is using a ~~one-star~~ one-star child care provider at renewal time, the worker mails or gives pamphlet, OKDHS Pub. No. 01-18, "Look for the Stars When Choosing Child Care," <http://www.okdhs.org/OKDHS%20Publication%20Library/01-18.pdf>, to the client to encourage him or her to choose a licensed provider with a higher star status. Refer to OAC 340:40-5-1(7) for more information on helping a client choose an appropriate child care provider.
5. (a) Reasons benefits may close include, but are not limited to, when :
- (1) the parent or caretaker fails to submit the renewal or verify current circumstances. Prior to closing child care benefits, when the client submits an incomplete renewal, the worker attempts to contact the client to advise what is lacking. The worker documents all attempts to obtain needed information in FACS case notes. When the client does not submit the renewal or provide required information timely or the client is no longer eligible for subsidized child care, no further care is approved;
 - (2) the parent or caretaker is no longer income eligible for subsidized child care benefits, per OKDHS Appendix C-4. When the family continues to need child care services, the worker asks if the client needs help with budgeting to pay this expense or with information concerning lower cost child care alternatives. When necessary, the worker gives the needed information to the client and records this discussion in FACS case notes;
 - (3) the parent or caretaker is not pursuing available income, per OAC 340:40-7-9;
 - (4) the parent or caretaker does not meet a need factor, per OAC 340:40-7-8;
 - (5) the only child(ren) in the home no longer meets age requirements, per OAC 340:40-7-3; or
 - (6) an adoptive parent's income is no longer exempt, per OAC 340:40-7-12(6).
- (b) When child care benefits close, the system sends a computer-generated closure notice to the client and the child care provider. Refer to OAC 340:40-9-2(f) for applicable closure dates.
- (c) When the child care benefit closes and the client provides requested information by the end of the renewal month that shows the client is no longer eligible for child care, the worker sends the client Form 08MP038E, Client Notice of Action Taken, to inform the client of ineligibility.
6. Refer to OAC 340:40-9-2(g) for rules regarding when subsidized child care benefits may be reopened. When a client has new income at renewal and has

not received a full paycheck, refer to the Quest article, "Unfinished Issuance Examples & Coding" for coding examples.

- ~~7. (a) When the client is approved for Supplemental Nutrition Assistance Program (SNAP) food benefits and applies for child care at a later time, the renewal date (E7) must match the SNAP certification date or the mid-certification renewal completion date (C36), whichever is most recent.~~
~~(b) When the client is approved for child care and applies for SNAP at a later time, the renewal date (E7) must be updated to match the certification date even though a child care renewal is not completed at this time. This may result in the client receiving more than 12 months of child care prior to renewal.~~

340:40-9-2. Case changes

Revised 9-15-22 01-01-25

(a) **Change reporting.** The household must report income changes that exceed the exit income eligibility threshold for the family size, per Oklahoma Human Services (OKDHS) Appendix C-4, Child Care Eligibility/Copayment Chart, within 10-calendar days of the change occurring, per Section 98.21(e)(1) of Title 45 of the Code of Federal Regulations (45 C.F.R. § 98.21(e)(1)). ■ 1

(1) A computer-generated notice issues at certification and renewal to inform the client of the current exit income eligibility threshold for ~~his or her~~ the client's family size and instructs the client to report when the household income exceeds this amount.

(2) When the client fails to report an income increase timely that, if when reported, would have resulted in benefit closure, the worker makes an overpayment referral to Adult and Family Services Benefit Integrity and Recovery Unit, per Oklahoma Administrative Code (OAC) 340:40-15-1.

(b) **Action taken on reported changes.** The worker must act on all changes the household reports between renewal periods. ■ 2 Benefits do not decrease unless the client requests a decrease to avoid or reduce an overpayment or the reported change results in the child care benefit closing, per (f) of this Section. ■ 3

(c) **Changes that increase subsidized child care benefits.** When the client reports a change within 10-calendar days of the change that increases the amount of child care approved or decreases the family share copayment, the client and the worker jointly plan the change's effective date. ■ 4 When the client does not report the change within 10-calendar days of the change, the earliest date the worker increases the subsidized child care benefits is the first day of the month in which the client reports the change.

(d) **Additional child request.** When an additional child requires subsidized child care benefits, the worker completes the request within two-business days of the client providing all necessary verification to determine eligibility. When eligible, the child may be approved for subsidized child care benefits beginning on the request date. ■ 5

(e) **Change in provider.** When a client reports a change in provider, the change is effective the date the change in provider occurs, regardless of whether the client reports the change timely. ■ 6 The worker completes provider changes within two-business days of the date the client reports the change.

(f) **Child care benefits closure.** When the client is no longer eligible for subsidized child care benefits, the closure date varies depending on circumstances. Refer to OKDHS Appendix B-2, Deadlines for Case Actions, for advance-notice deadline dates. ■ 7

- (1) The worker closes the subsidized child care benefits effective 10-calendar days from the date action is taken, when the:
- (A) payee for the child care benefit changes. When this occurs, a new application is needed, per OAC 340:40-3-1(a)(1)(C);
 - (B) only child(ren) approved for subsidized child care leaves the home; ■ 8
 - (C) client already received income in excess of the exit income threshold, per OKDHS Appendix C-4;
 - (D) client moves ~~child care~~ out-of-state; or
 - (E) client was approved for child care in error. ■ 9
- (2) The worker closes the child care benefit effective the last day of the current calendar month when the client's anticipated income for the next month is expected to exceed the exit income eligibility threshold, per 45 C.F.R. § 98.21(e)(1) and OKDHS Appendix C-4. ■ 10
- (3) The worker closes the child care benefit effective the last calendar day of the month following the renewal month when the: ■ 11
- (A) ~~the~~ client does not meet a need factor;
 - (B) ~~the~~ client is not pursuing potential income, per OAC 340:40-7-9;
 - (C) ~~the~~ child reached the maximum age limit, per OAC 340:40-7-3; or
 - (D) ~~an~~ adopted child turns 6 six years of age and the family income must now be considered, per OAC 340:40-7-12. In this circumstance, a new application is required, per OAC 340:40-3-1(a)(1)(D).
- (4) The worker closes the child care benefit effective three months from the approval date for job search child care, per OAC 340:40-7-8(a)(6).
- (5) When the client receives Temporary Assistance for Needy Families (TANF) related subsidized child care, per OAC 340:40-7-8(e) and stops meeting a need factor, the worker closes the child care benefit effective 90-calendar days from the date the client stops participating. ■ ~~11~~ 12
- (6) When a client stops participating in Oklahoma Supplemental Nutrition Assistance Program Works (OK SNAP Works) component assignments and activities, per OAC 340:40-7-8(d) and does not meet another need factor, the worker closes the child care benefit effective 90-calendar days from the date the client stops participating. ■ ~~11~~ 12
- (7) When the client requests the child care benefit be closed, the earliest date the worker closes the child care is the date action is taken. When the client requests reopen of a voluntary child care closure any time during the previously established 12 month eligibility period, the worker reopens child care using the current eligibility established on the case.
- (8) When the client does not complete the benefit renewal timely, the system closes the child care benefit effective the last day of the renewal month.
- (g) **Reopen action.** When a client's subsidized child care benefits close, benefits may be reopened within 30-calendar days of the closure effective date using current eligibility information unless the client must complete a new application, per OAC 340:40-3-1(a)(1). When a client requests to reopen a voluntary closure of child care benefits during the established 12 month eligibility period, child care is reopened back to the date of closure regardless of whether the case has been closed in excess of 30-calendar-days. Child

care benefits are not decreased unless the renewal is due, per 45 C.F.R. § 98.21(a). ■
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INSTRUCTIONS TO STAFF 340:40-9-2

Revised ~~9-15-22~~ 01-01-25

1. (a) The client may report changes in person, by phone, fax, or email.
(b) The worker confirms with the client any case changes reported by persons other than the client before processing the change.
2. (a) For example, when the client reports new income, the worker sends Form 08AD092E, Client Contact and Information Request, to the client requesting proof within 10-calendar days. When the client:
 - (1) does not provide the requested verification, benefits are not decreased until renewal; or
 - (2) provides requested verification, the worker updates Family Assistance/Client Services (FACS) Income tab and the system determines if the benefits are changed.(b) Refer to (c) and Instructions to Staff (ITS) # 4 of this Section when the client requests increased child care benefits.
3. An example of when the client may request benefits be decreased to avoid or reduce an overpayment occurs when the family share copayment is lower than it should be at certification or renewal because the worker incorrectly calculated income or the client did not accurately report income.
4. (a) The worker documents changes, when applicable, in the FACS Interview Notebook Income and Child Care tabs, in the FACS Eligibility Notebook Auth. Daycare and Child Care tabs, and in FACS ~~Case Notes~~ case notes.
 - (1) When the change action decreases the family share copayment, the system maps the copayment change to the authorization and generates a notice to the client.
 - (2) The worker does not make a change in the FACS Auth. Daycare tab for a copayment only change.
 - (3) The worker must enter a change action in the FACS Auth. Daycare tab when the unit type or number of days and hours the client needs child care increases.(b) Changes that increase subsidized child care benefits include, but are not limited to:
 - (1) a change in income resulting in a family share copayment decrease.
 - (A) The client's family share copayment for the month he or she reports the change is based on actual income. Prior to reducing the family share copayment for the current or previous month, the client must provide verification of the actual income for that month.
 - (B) When the client reports a need factor loss, child care is continued until the renewal unless (f)(4) through (6) of this Section applies. When the client reports employment loss, the worker removes the earned income after verifying the job loss and the date and amount of last pay.

- (C) The earliest date the change is made in the "effective date" field E5 of the FACS Eligibility Notebook Child Care tab (Section E) is the first day of the current month;
- (2) a change in family size that decreases the family share copayment.
- (A) When a household member leaves the home, the worker removes the person from the FACS Household tab "removed from the benefit section" "status" field F25.
- (B) When a child remains in the home and no longer needs child care, the worker codes the person as "not included in benefit - income and resources are considered in benefit computation" in the "status" field F25 and closes the FACS Auth. Daycare tab authorization with the appropriate reason code. The earliest date the worker closes the child care authorization is the date action is taken.
- (C) The worker enters a change action to the FACS Child Care tab for the next effective month. The change action causes the system to recalculate the family share copayment and map it to the "copay" field K70 for the remaining authorizations. When the change decreases the copayment, the change is effective the following month. When the change increases the copayment, the copayment remains locked in at the lower level until renewal;
- (D) When a household member leaves the home and is removed from the child care benefit resulting in the household income exceeding the exit income threshold per the Appendix C-4, Child Care Eligibility – Copayment Chart for the new family size, child care is closed per Appendix B-2, Deadlines for Case Actions;
- (3) an increase in the unit type or number of days or hours the client needs child care.
- (A) The worker makes the change as needed and planned for each affected child when the client reports the change within 10-calendar days.
- (B) When the change is not reported timely, the earliest date the worker increases days and hours is the first day of the month the client reports the change.
- (C) The number of days approved for the first month may be less than a full month of child care when the increased care level was not needed for the entire month; and
- (4) an increase in the rate paid by Oklahoma Human Services (OKDHS) after the special needs approval process is completed, per OAC 340:40-7-3.1.
- (A) When approved, ~~Adult and Family Services (AFS)~~ Child Care Services (CCS) Child Care Subsidy Unit staff changes the unit type effective the first of the month following approval.
- (B) When the child does not attend the child care program until after approval, the special needs rate is effective the first day the child enters the facility.
- (c) The child care provider must submit Form 10AD121E, Child Care Claim, to request supplemental payment when the client did not correctly record attendance.

(1) Unless extenuating circumstances beyond the client's or provider's control exist, OKDHS Financial Services (FS) Electronic Payment Systems (EPS) Unit staff does not supplement the provider when the client fails to record attendance correctly.

(2) Circumstances beyond the client's or provider's control include, but are not limited to, a worker or system error.

(d) The worker ~~submits~~ completes ~~Form 10EB004E, Report of Electronic Benefits Transfer (EBT) Child Care Payment Adjustments,~~ the EBT HelpDesk Form to ~~OKDHS FS EPS~~ to request a provider supplement to correct problems not associated with recording correct attendance.

(1) Examples of when the worker completes ~~Form 10EB004E~~ the EBT HelpDesk Form, include:

- (A) a decrease in the family share copayment;
- (B) an incorrect birth date being entered; or
- (C) an incorrect rate given.

(2) The worker enters correct data into the system for the current month prior to submitting ~~Form 10EB004E~~ the EBT HelpDesk Form.

(3) After submitting ~~Form 10EB004E~~ the EBT HelpDesk Form to the ~~FS EPS Unit~~, the worker documents the months included in the supplement, the reason ~~Form 10EB004E~~ the EBT HelpDesk Form was needed, and the date it was submitted in FACS ~~Case Notes~~ case notes.

5. (a) The worker documents in FACS ~~Case Notes~~ case notes:

- (1) the request date;
- (2) the child's name and birth date;
- (3) what days and hours the client needs child care;
- (4) how child care needs were previously met;
- (5) updates the last redetermination date field E7 to the first of the next effective month; and
- (6) if any income must be pursued for the child, per OAC 340:40-7-9.

(b) The client ~~completes~~ and signs Form 08MP022E, Declaration of Citizenship Status, to declare the child's citizenship or lawful alien status before the worker adds the child to the child care benefits. A child 14 years of age and older is also subject to citizenship requirements, per OAC 340:65-3-1(g)(3).

(c) When the child brings additional income to the household, the worker adds the child's income to current household income for the next effective month. Per (b) of this Section, the family share copayment does not increase due to the addition of a child and his or her income until the renewal is due. When the additional income from the child results in the household exceeding the exit income eligibility thresholds on the Appendix C-4, Child Care Eligibility – Copayment Chart for the new family size, child care is closed per Appendix B-2, Deadlines for Case Actions.

(d) The worker chooses "social services" in the "benefit" field F24 and "added to the benefit" in the "status" field F25 to add the child in the FACS Household tab. The worker enters a change action in the Child Care tab "action taken" field E3, the first of the following month in the "effective date" field E5 and last

redetermination date field E7, and enters the authorization for the child in the FACS Auth. Daycare tab.

6. (a) A provider change is considered a non-adverse action when no other change occurs in the child care plan.
 - (1) The worker closes the authorization for the first provider using "change in providers" in the "reason" field K16 and "advance notice not required" in the "notice indicator" field K92 in the FACS Auth. Daycare tab. The earliest date the authorization is closed is the date action is taken.
 - (2) The worker opens the authorization for the new provider beginning with the date the change occurs and uses "change of providers" in the "notice indicator" field K92.
- (b) The new provider's point-of-service machine shows the entire family share copayment owed for the month even when part of the copayment was applied to the previous provider. The worker calls the new provider and explains:
 - (1) part of the family share copayment is owed to the previous provider for the initial month;
 - (2) the provider's Totals Report for the first week the child(ren) starts care will show how much copay, if any, to collect from the client. Prior to receiving payment for the first week of care, the provider has the option of:
 - (A) requiring the client to pay the entire family share copayment until the provider knows how much of the month's copayment was applied at his or her facility; or
 - (B) accepting a receipt from the client showing how much family share copayment he or she paid to the first provider and waiting until the Totals Report confirms part of the copayment is owed before charging the client; and
 - (3) when the provider requires the client pay the entire family share copayment, he or she must reimburse the client for the amount not applied to his or her facility after receiving OKDHS payment.
- (c) When the client pays the entire family share copayment to the first facility and that much care was not given, the first provider reimburses the client for the difference. When the provider refuses to do so, the worker contacts the AFS CCS Child Care Subsidy Unit or the Office of the Inspector General staff for assistance.
- (d) When the first provider reports the client left without paying the full family share copayment owed, the worker informs the provider that OKDHS only pays for services provided after the family share copayment is deducted. It is the provider's responsibility to collect the client's family share copayment. The worker counsels with the client about the importance of paying ~~his or her~~ the family share copayment.
- (e) When the worker does not use the reason code "change of providers" to close the child care authorization for the previous provider before authorizing the new provider, the worker must choose "application approval" rather than "change of providers" in the "notice indicator" field in the new authorization. The system only accepts "change of providers" in the "notice indicator" field when the reason code on the closed authorization is:

- (1) 4 – change in providers;
- (2) 7 – ineligible provider;
- (3) 7A – provider contract terminated – State Office use only;
- (4) 36 – FSS BR-1 (Form 08MP004E) not completed; or
- (5) 99 – State Office use only.

(f) When the worker becomes aware of a provider change after benefit closure and benefits are not reopened, the worker only authorizes child care for the new provider through the closure date. In this instance, the worker enters a gap authorization with a begin and an end date on the authorization. The worker follows directions in Quest for <https://fsquest.oucpm.org/2015/programs/child-care-subsidy/incorrect-begin-date/>.

(g) When the client requests a provider change for a child attending an Early Head Start-Child Care Partnership (EHS-CCP) grant program or an Oklahoma Early Childhood Program (OECF), the worker removes the diverted income from the "total diverted income" field E47 on the FACS Child Care tab when the new facility does not offer an EHS-CCP grant program or an OECF. The child remains eligible for a weekly unit type until renewal. At renewal the worker reevaluates the client's child care plan hours.

7. When the worker determines that the client is no longer eligible for child care benefits, the worker must close child care benefits by the 27th day of the month, when possible, because the Information Management System (IMS) sends eligibility information to EPPIC on the 28th day of the month for the following month.

(1) When the client requests benefit closure, advance notice is not required. The worker closes the child care benefit effective on the request day unless the request date is between the 28th and 31st of the month. In this instance, the worker closes child care effective the first day of the next month. Otherwise, the authorization remains open on EPPIC for the entire next month.

(2) When the client provides income information on June 29th and the worker determines the client's income exceeds the exit income eligibility threshold, 10-calendar days' advance notice is required. The worker must wait until July 1st to close child care benefits effective July 10th. When the worker closes the child care benefit on June 29th to be effective July 9th, the EPPIC system does not recognize the July 9th closure and continues to allow eligibility for the entire month of July. When the client continues to use child care after July 9th, even though the child care benefit is closed in IMS, EPPIC continues to approve child care, resulting in a client overpayment.

8. When more than one child receives child care on a case and one of the children leaves the home, the worker closes the authorization for the child who is leaving the home 10-calendar days from the date the worker takes action, unless the parent or caretaker agrees upon an earlier date.
9. This may occur when AFS staff discovers after approval that the worker misapplied rules or the client provided incorrect information at certification or renewal that would have denied or closed benefits. Examples of rule misapplication may occur when the worker did not make sure a self-employed

client met the minimum wage rule, per OAC 340:40-7-8(a)(3), or did not ensure the client was pursuing potential income, per OAC 340:40-7-9, prior to certification or renewal. An example of the client providing incorrect information may occur when the client did not report a second job or provided a falsified employer statement that, if correct information was provided, would have led to an over-income denial as the client's income was over the entry income eligibility threshold, per OKDHS Appendix C-4, Child Care Eligibility/Copayment Chart.

10. When the worker closes the subsidized child care benefits because the family's anticipated income exceeds the exit income eligibility threshold, per OKDHS Appendix C-4, the worker must determine if the client's income for the current month exceeds the exit income eligibility threshold. When the client is:
 - (1) income eligible for the current month, the earliest date the worker closes the subsidized child care benefits is the last day of the current month. This may occur when the client starts new employment.
 - (2) income ineligible for the current month, the worker closes the subsidized child care benefits effective 10-calendar days from the date the worker takes the action.
11. (a) This closure date ensures that each child covered by the benefit has had the opportunity to fully participate in the complete 12-month eligibility period before the closure.
 - (b) To determine the renewal month, add 11 months to the Date of Last Review (E7). For example, if E7 is October 1, the renewal month is September. The closure date is then set to the last calendar day of the month following the renewal month. In this case, with a renewal month of September, the closure date will be October 31. This closure date ensures that the benefit period aligns with the full 12-month eligibility period before closure.
 - (c) When a child is added to the household during an ongoing eligibility period, the 12-month eligibility period is reset for all children in the household to ensure consistency in benefit coverage. The closure date will then be adjusted to reflect the new 12-month period, ensuring that each child, including the newly added one, receives a full 12 months of coverage before any benefits are terminated.
12. (a) To continue the child care for 90-calendar days, the worker closes the FACS Child Care tab (E-section) using the appropriate reason code.
 - (b) When the client meets a need factor during the 90-calendar day approval period or within 30-calendar days of the 90-calendar day approval period ending, the client must provide proof of the need factor, per OAC 340:40-7-8, and current income, when applicable, before the worker:
 - (1) reopens the child care based on current eligibility information; and
 - (2) updates the reason code, number of units, and unit type on the authorization, when needed.
 - (c) The worker documents the reopen action and current eligibility information in FACS case notes.
- ~~12~~ 13. (a) Using current eligibility information means the effective date of a reopen action that decreases benefits is the same effective date as would have occurred if the benefit had not closed.

(1) For example, when the client does not complete the benefit renewal before deadline, the subsidized child care benefits close effective the last day of the month. If the benefit renewal had been completed before deadline, the worker would have decreased benefits effective the first of the next month. Therefore, in a reopen action, the worker applies an increase in family share copayment or a decrease in the number of units or unit type approved effective the first day of the month following the closure. When the client has new income at renewal and has not received a full paycheck, refer to Unfinished Issuance Examples & Coding|Quest for coding examples.

(2) When child care closes during the 12-month eligibility period due to a voluntary closure, the worker reopens benefits using the same eligibility information on the system prior to closure. For example, during the eligibility period the client requests child care benefit closure because the family has an alternative caregiver for the child. ~~Within 30-calendar days of the requested closure,~~ When the client reports that the alternative caregiver did not work out and subsidized child care is needed and it is within the previously established 12-month eligibility period, ~~The~~ the worker reopens the child care benefit using the same eligibility information on the system prior to closure. The worker does not increase the family share copayment or decrease the days and hours of child care until renewal.

(b) The worker reopens benefits within 10-calendar days of the date ~~he or she~~ the worker receives new or additional information or realizes benefits were closed in error. When the worker does not take action timely, ~~he or she~~ the worker must enter a new authorization.

(c) When the worker reopens the benefit more than 10-calendar days from the authorization closure date and the client recorded attendance and received a denied message, the child care provider must complete and submit Form 10AD121E, Child Care Claim, to the Financial Services EPS Unit to receive payment.

(d) When the worker reopens child care following a 30-calendar day Presumptive Eligibility period, refer to Presumptive Eligibility Coding|Quest for coding examples.

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

SUBCHAPTER 13. CHILD CARE RATES AND PROVIDER ISSUES

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

Revised ~~09-14-24~~ 01-01-25

(a) **Criteria.** A child care program owner and the Oklahoma Human Services (OKDHS) Director or designee signs Form 08CC001E, Child Care Provider Contract, before OKDHS pays for out-of-home child care services. By signing the contract, the child care provider agrees to not take into account a person's race, color, religion, sex, national origin, or disability in deciding which children to accept in the child care program or in how

to provide services. Age may be a factor only to the extent that certain services are designed for a particular age group.

(1) Written complaints that a child care provider is not complying with assurances in (a) of this Section are made to the OKDHS Director or to the Secretary of Health and Human Services, Washington, D.C., 20201.

(2) Local Child Care Services (CCS) licensing staff provides initial contract information for child care programs. The child care provider contacts CCS, Child Care Subsidy Unit staff to request a contract.

(3) Child care contracts are valid for a maximum of one year. Contracts may be renewed at the sole option of OKDHS for successive one-year terms per (g) of this Section.

(b) **License and star status for child care centers and homes.** OKDHS does not contract with out-of-state child care providers. Child care providers only obtain an OKDHS contract after they are licensed or permitted.

(1) A child care center provider requesting a contract is required to have a license or permit and a ~~two~~ three-star or higher star status. Community Hope Centers are exempt from participation in the Stars quality rating system.

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

(A) When licensed, the child care home provider may have a one star or higher status.

(B) When on permit, the child care home provider must have a two-star or higher status.

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

(1) CSS CCS licensing staff gives the child care provider OKDHS Publication 07-12, "Steps For Child Care Providers Interested In A Subsidy Contract" and instructs the provider to contact CCS Child Care Subsidy Unit staff to obtain an OKDHS child care contract. ■ 1

(2) When a child care program owner or another person authorized to sign the contract contacts CCS Child Care Subsidy Unit staff, staff explains the owner or responsible person must provide documents listed in (A) through (D) of this paragraph before signing a contract. Documents include a copy of:

(A) a document that verifies the identity of the owner or responsible person authorized to sign the contract;

(B) a document from the Internal Revenue Service verifying the employer identification number. A home child care provider who is a sole proprietor may provide a copy of the employer's Social Security card in lieu of an employer identification number;

(C) the certificate of completion for the required online "Orientation to Child Care Subsidy Contracts" training; and ■ 1

(D) ownership verification. ■ 1

(3) When the owner provides the required documents, CCS Child Care Subsidy Unit staff sends Form 08CC001E to the child care provider and explains that the earliest date a contract is valid is the date the OKDHS Director or designee approves the contract.

(4) The owner or person authorized to sign the contract signs and returns the contract to the CCS Child Care Subsidy Unit.

(5) CCS Child Care Subsidy Unit staff processes the contract request for approval or denial.

(A) When approved, CCS Child Care Subsidy Unit staff assigns a contract number and sends a copy of the signed contract to the child care provider.

(B) When denied, CCS Child Care Subsidy Unit staff sends a letter to the child care provider.

(d) **Changes the provider reports.** Form 08CC001E informs child care providers of changes they must report to the CCS Child Care Subsidy Unit no less than 30-calendar days prior to the effective date of any changes. When the provider fails to report the anticipated change timely and a new contract is needed, a gap may occur in the child care subsidy payment to the provider. Changes that are reported include:

(1) collaborations or agreements;

(2) ownership change;

(3) legal business entity change;

(4) change in facility status;

(5) legal name change of the business;

(6) plan to stop caring for children;

(7) star status reduction;

(8) changes in the responsible person authorized to sign the contract or in that person's legal name;

(9) disqualification, suspension, or debarment from the Child and Adult Food Care Program or any other federal program;

(10) when an owner or employee of a child care provider is convicted of a criminal offense; and

(11) provider address change.

(e) **Changes that require a new contract.** A new contract is required when changes listed in (1) through (3) of this subsection occur. ■ 2

(1) **Change in ownership.** An ownership change occurs when the owner of a child care program changes.

(2) **Change of legal business entity.** A change of legal business entity is a change from one legal business entity type to another. Refer to OKDHS Appendix L-7, Ownership Proof Chart, for a list of legal business entity types.

(3) **Change in facility status.** A change in facility status occurs when a child care home changes to a child care center or a child care center changes to a child care home.

(f) **Providing care at a different site than is authorized.** When the child care provider signs the child care contract, the provider agrees to provide care only at the physical address designated in the contract.

(1) After obtaining prior approval from CCS Child Care Subsidy Unit staff, a child care center provider owning more than one child care center may be authorized to move children receiving subsidized child care benefits to an alternate center for a designated time period. A child care center provider may not move a point-of-service (POS) machine or submit electronic claims for care at another location until the provider receives approval from CCS Child Care Subsidy Unit staff.

(2) CCS Child Care Subsidy Unit staff provides written approval when (A) through (E) of this paragraph are met.

(A) The same owner or legal business entity operates the alternate site.

(B) The alternate site is licensed and contracted at the same star level and the child care provider has adequate licensed capacity at the alternate site.

(C) There is a legitimate business reason for providing care in another location.

(D) The provider advises CCS Child Care Subsidy Unit staff how the provider is ensuring parents are aware their children are being cared for at a different location.

(E) The provider advises CCS Child Care Subsidy Unit staff of the date of expected return to the contracted site.

(g) **Child care contract renewal.** Child care contracts may be renewed at the sole option of OKDHS for successive one-year terms, under the same terms and conditions, unless OKDHS makes changes to Form 08CC001E. The child care contract is not renewed when:

(1) the child care provider or OKDHS gives written notice of its intent not to renew to the other party at least 30-calendar days prior to the previous contract term's expiration; or

(2) during the contract renewal period, the provider fails to:

(A) complete all required contract training; or

(B) provide any other information or documents requested.

(h) **Contract violations.** By signing the child care provider contract, Form 08CC001E, the child care provider agrees to abide by the contract's terms. When OKDHS staff becomes aware a child care provider is violating contract terms, the staff person emails the circumstances to CCS Child Care Subsidy Unit staff. ■ 3 Staff may also complete Form 19MP001E, Referral Form, to report the violation to the Office of Inspector General. Examples of contract violations include, but are not limited to:

(1) discriminating against persons seeking services by charging a discriminatory rate or violating a person's rights as listed in the Civil Rights Act of 1964 as amended, the Rehabilitation Act of 1973 as amended, or the Americans with Disabilities Act of 1990, as amended;

(2) failing to maintain a drug-free workplace;

(3) operating over licensed capacity;

(4) possessing a client's electronic benefit transfer (EBT) card or recording attendance for a child using the POS machine or the mobile app;

(5) knowing a client's EBT personal identification number;

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

(7) failing to ensure the parent or caretaker records accurate time and attendance information using the POS machine or the mobile app. When a child is approved for a blended unit type or part-time care, the parent or caretaker is only required to record attendance one time per day because the number or hours the child attends does not affect the child care provider payment amount;

(8) charging a client receiving subsidized child care more than the OKDHS rate for days and hours OKDHS authorizes; ■ 4

(9) charging a client receiving subsidized child care an allowable fee when not charged to non-OKDHS participants; ■ 5

- (10) failing to post all the facility's rates and fees;
- (11) charging or requiring a client to record attendance for days and hours outside of client's child care plan when those days and hours are a requirement the care provider imposes and are not the client's choice; ■ 4
- (12) failing to advise and provide OKDHS a completed copy of any collaboration or agreement the child care provider enters into within 30-calendar days of signing the collaboration or agreement. This includes agreements with Head Start, Early Head Start, public schools, or other programs receiving federal or state funding;
- (13) claiming or receiving payment from OKDHS for any care hours the provider is not charging all parents because the provider receives federal or state funds for those hours. Refer to Oklahoma Administrative Code (OAC) 340:40-5-1(7) regarding collaborations;
- (14) claiming child care payment for care given for any hours in an unlicensed collaborative classroom;
- (15) moving the children from the agreed upon location shown in the contract and claiming for services at the other location without prior approval from CCS Child Care Subsidy Unit staff;
- (16) moving the POS machine or submitting electronic claims without receiving prior approval from CCS Child Care Subsidy Unit staff, per subsection (f) of this Section;
- (17) failing to inform OKDHS of a change in facility status, legal business entity, business ownership, or the responsible person at least 30-calendar days in advance of the change;
- (18) failing to inform OKDHS in writing within 10-calendar days of any person who has an ownership or controlling interest in, or is an agent or managing employee of, the child care business, who was convicted of a criminal offense related to such person's involvement under Titles XVIII, XIX, or XX of the Social Security Act;
- (19) failing to allow full access to the facility's premises and personnel to investigate a complaint;
- (20) failing to report the new child care business income within 10-calendar days of first receipt to the child care provider's Adult and Family Services (AFS) worker when the provider receives OKDHS benefits;
- (21) a home child care provider claiming payment for child care provided for an employee's child. Refer to OAC 340:40-5-1(7);
- (22) a child care provider receiving subsidized child care benefits for a child and claiming payment for that child to attend a child care program in which the provider or the provider's spouse have an ownership interest. Refer to OAC 340:40-5-1(7);
- (23) subcontracting services to another provider; or
- (24) breaching the contract the child care provider signs with the OKDHS EBT contractor.

(i) **Child care provider contract cancellation.** CCS Child Care Subsidy Unit staff issues a notice to the child care provider to initiate child care contract cancellation. When CCS cancels a contract, all open child care authorizations for that provider close automatically.
 ■ 6 Contracts may be cancelled:

(1) with cause. The effective cancellation date is 10-calendar after CCS Child Care Subsidy Unit staff sends the notice. The notice contains a reference to the grounds for cancellation including the specific contract provision(s) violated; or
(2) without cause. The effective cancellation date is 30-calendar days after CCS Child Care Subsidy Unit staff sends the notice. ■ 7