

**State/Territory Plan
2022 - 2024**

3.2 Family Contribution to Payments

3.2.5 Policies and processes for graduated phase-out of assistance at redetermination.

a. Describe the option that best identifies the Lead Agency's policies and procedures regarding the graduated phase-out of assistance.

The Lead Agency sets the second tier of eligibility at 85 percent of SMI.

State/Territory	A. Describe the policies and procedures:	B. Provide the citation for this policy or procedure:
Alabama		
Alaska		
American Samoa		

Arizona	<p>The Eligibility Specialist shall determine income eligibility by calculating the gross monthly income of all family members included in family size unless the income is otherwise excluded.</p> <p>a. If the gross monthly income for the family is equal to or less than 165% FPL, the family meets the initial income eligibility requirements for Child Care Assistance.</p> <p>b. If the gross monthly income for the family equals or less than 85% SMI, the family meets the 12-month redetermination income eligibility requirements for Child Care Assistance.</p> <p>c. Once the eligibility has been established and within a 12-month eligibility period:</p> <p>i. If gross monthly income for the family exceeds 165% FPL but stays at or under 85% SMI, the family will remain eligible until the end of the 12-month eligibility period; or</p> <p>ii. If gross monthly income for the family exceeds 85% SMI, the family no longer meets the income eligibility requirements for Child Care Assistance.</p>	CCA 2-06-01 Income Eligibility Criteria
Arkansas	NA	NA
California		
Colorado	State statute and rule require that, once a family has been determined eligible, CCDF Child Care assistance may not be terminated for changes in income during a 12-month period if a family's income remains under 85% of the state median income level.	9 CCR 2503-9, 3.912 (O)(1), C.R.S. 26-2-805
Connecticut		
Delaware	N/A	N/A

District of Columbia	<p>New applicants are eligible for subsidized child care if such applicant(s) can document an annual gross family income up to 250 percent of the Federal Poverty Level (FPL) or 85 percent of the current SMI, whichever is lower.</p> <p>-During redetermination, families who are classified as being over the income threshold at the end of the 12-month eligibility period are to be considered eligible up to 85 percent of the current SMI.</p> <p>-During the 12 month eligibility period, families designated as eligible for subsidized child care and receiving such services whose income exceeds 85 percent of the current SMI shall continue to receive subsidized care for no more than three months. At the end of the three month period of continued assistance, if the gross annual family income is below 85 percent of the most current SMI, assistance cannot be terminated and the child shall continue receiving assistance until the next scheduled redetermination.</p>	<p>The District of Columbia Mayor's Order 2009-3, dated Jan. 15, 2009 <i>nunc pro tunc</i> to Aug. 16, 2009, designates OSSE as the lead agency for CCDF and delegated the authority of the Mayor to administer the District law that governs subsidized child care, D.C. Code§ 4-401 <i>et seq.</i> The graduated phase out requirements are set forth in Section 500.4 of OSSE's Eligibility Determinations for Subsidized Child Care Policy Manual and 5-A DCMR §§ 201.7 and 201.9.</p>
Florida	<p>Upon redetermination, after 12 months, and if the family income is above 150%FPL (entry level) and below 85% SMI, the parent begins to phase-out of the SR Program. During this graduated phase-out, a copayment may be increased in increments up to 85% SMI, when the family is no longer eligible. Incremental increases promote and support stability.</p>	<p>Rule 6M-4.400, F.A.C.</p>

Georgia	<p>When a family is initially approved for child care assistance, the gross applicable income of the family unit must be equal to or less than 50 percent of the current SMI at the time of application. During the eligibility period, if the family's gross applicable income increases but remains at or below the maximum allowable federal limit of 85 percent of SMI, the family will remain in the program with no impact to eligibility or family fee until redetermination. Families are not required to report a change in family income during the eligibility period, because it will be reassessed during redetermination. At redetermination, if a family's gross applicable income increases but remains at or below the maximum allowable federal limit of 85 percent of SMI, the family will continue to be eligible for the program. The family fee will be calculated at redetermination based on the family's current gross applicable income.</p>	
Guam		
Hawaii		
Idaho		
Illinois		

Indiana	<p>A families copay is only assessed at eligibility determination and at redetermination. For families that have entered the graduated phase-out of assistance, we offer 16 weeks of transitional care. During this time co-pays would not be increased and may be decreased if there is a reduction in income.</p> <p>Effective March 22, 2020 families were provided an additional 10 weeks (for a total of 26 weeks) of transitional care before benefits are terminated due to COVID-19. This change is in effect until Executive Order 20-02, which declared that a public health emergency exists throughout the State of Indiana expires, or is extended and provides a new expiration date.</p>	CCDF Policy and Procedure Manual Section 2.15 Service Need Type - Transitional Care
Iowa		
Kansas	<p>For initial eligibility, families must have incomes at or below 250% of the Federal Poverty Level (FPL) for families of that size, and the family remains eligible for that 12 month eligibility period as long as incomes remains below 85% of SMI with no interim changes in the copay amounts. At the end of the initial 12 month eligibility period, a family's eligibility is reviewed, and as long as non-financial eligibility requirements are met and income remains below 85% of SMI, another 12 month eligibility period is authorized. There is no limit to the number of times a family may be approved for another 12-month eligibility period. Copay amounts may be adjusted at the 12 month review based on income eligibility. If at review the family has income in excess of 85% of SMI, eligibility would end.</p>	KEESM 7440
Kentucky		

Louisiana	Redetermination of eligibility for child care services shall be made prior to the expiration of the certification period, but no sooner than 12 months following the initial determination or most recent redetermination. At the time of redetermination, households whose income has risen above the initial state threshold for eligibility but remain below the federal threshold for eligibility of 85 percent of state median income, shall be eligible for 12 additional months of child care services as part of a graduated phase out. They may qualify for the graduated phase out copay tier.	Graduated Phase Out
Maine		
Maryland	Once a family is determined eligible for the Child Care Scholarship Program their income can continue up to, but cannot exceed or equals 85% of SMI.	Not currently in regulation. Maryland is currently revising regulations. Procedures can be found in Child Care Scholarship Communication 2017-11b.
Massachusetts	EEC child care subsidy regulations and policies require families to enter the system at or below 50% of SMI and allow families whose income has increased at the time of reassessment to remain financially eligible provided that the total household income does not exceed 85% of SMI.	Details on this policy may be found in EEC's regulations and policies found here: https://www.mass.gov/guides/child-care-subsidy-management-and-ccfa .
Michigan		
Minnesota		
Mississippi		
Missouri		
Montana		
Nebraska		

Nevada		
New Hampshire		
New Jersey		
New Mexico	N/A	N/A
New York		
North Carolina	<p>A graduated phase out period of 12 months occurs when, at redetermination, families' gross countable monthly income exceeds Federal Poverty Levels of 133% for school age children or 200% for preschool age children and children with special needs whose income meets the federal income threshold of 85% State Median Income. At the time of the redetermination, the family income shall be compared to 85% State Median Income (SMI). If income is less than 85% SMI, but exceeds the State Income limits, the family will be given a phase out period of 12 months during which child care subsidy services continue with adjustment of the parental fee. When the family income exceeds 85% at redetermination, a ten (10) work day notice will be issued to terminate services.</p>	<p>Subsidized Child Care Assistance Administrative Letter #07-18; https://policies.ncdhhs.gov/divisional/child-development/child-care-subsidy-services/administrative-letters/documents/ccs_al_0718.pdf</p>

North Dakota	<p>Effective October 1, 2018, at the time of review, households will continue to be eligible for another 12 month period if the household's income is over the initial application income limit of 60% SMI but is under 85% SMI. Households are allowed one 12 month graduated eligibility period during the review cycle. At the time of second review, after being approved for a 12 month graduated eligibility period, if the household continues to be over 60% SMI, but below 85% SMI, the review is denied. If the household is allowed a 12 month graduated eligibility period and is under 60% SMI at the time of second review, the households remains eligible for another 12 month period. This is not considered a graduated eligibility period as the household is now at or below the initial eligibility income limits. If the household would submit another review (third review) and the income is above 60% SMI, but below 85% SMI, the household is eligible for another 12 months graduated eligibility period. At any point that CCAP closes and a household reapplies and is eligible at initial application, the household may be eligible for another 12 month graduated eligibility period at review. Households are not limited in the number of graduated eligibility periods they may receive, as long as the periods are not consecutive.</p>	Graduated Eligibility 400-28-25-15.
Northern Mariana Islands		
Ohio	<p>Families remain eligible until income is at or above 300% of the Federal Poverty Level, which is greater than 85% SMI.</p>	<p>5101:2-16-02 Application and qualification process for receipt of publicly funded child care benefits (ohio.gov)</p>
Oklahoma		

Oregon	The initial eligibility income limit for families is under 85% SMI and is set at 185% FPL. Once a family is determined eligible, the income limit during the 12-month certification period and at redetermination the exit income limit is 85% SMI or 250% FPL, whichever is higher. Increases in income that occur during an ongoing case do not need to be reported unless the income is at or above the exit income limit. Cases that remain eligible above 85% SMI but under 250% FPL are paid through Oregon state General Funds. 250% FPL exit income was set by Oregon Legislature.	OAR 461-155-0150
Pennsylvania		
Puerto Rico	N/A	N/A
Rhode Island		
South Carolina	Entrance is based on 55% of SMI and exit is based on 85% SMI.	https://www.scchildcare.org/media/73071/CC-Income-Standards-2020.pdf .
South Dakota	At redetermination, a child shall be considered eligible if his or her parents are working or attending a job training or educational program. If at redetermination a family's income exceeds 209% of FPL but does not exceed 85 SMI, the family will receive assistance at the same level through the phase out period of 12 months.	Child Care Subsidy Policy Manual Section 3. https://dss.sd.gov/docs/childcare/assistance/Subsidy_Manual.pdf
Tennessee		
Texas	TWC Chapter 809 Child Care Services rule §809.41(e) states that Boards establishing initial family income eligibility at less than 85 percent SMI must ensure that the family remains income-eligible for care after passing the Board's initial income eligibility limit. The procedures related to the graduated phaseout of eligibility are described in Appendix J-103 of the Child Care Services Guide.	TWC Child Care Services rule §809.41(e) and Appendix J-103 of the Child Care Services Guide.
Utah		

Vermont	N/A	N/A
Virgin Islands	N/A	N/A
Virginia	As determined by the local department at redetermination, graduated phase-out is defined as the period of time for child care subsidy to continue for recipients whose income eligibility exceeds the initial eligibility limit but is below the exit eligibility limit. At redetermination, if a recipient's countable income exceeds the initial eligibility limit, they shall be considered income eligible until their countable income meets or exceeds the exit eligibility limit (85% of SMI). During graduated phase-out, the recipient family co-payment amount may increase if the family's countable income increases.	Child Care Subsidy Guidance Manual, Section 1.1, Definitions and Section 3.16. E., Income Limit at Redetermination
Washington		

West Virginia	<p>Entry is set at 150% of 2019 Federal Poverty Level and exit is set at 185% of 2019 Federal Poverty Level.</p> <p>The exit level for a family of 3 is set at \$3,288, which is 63.3% of State Median Income (SMI).</p> <ul style="list-style-type: none"> • Families are not required to report increases in income above the exit level, but below 85% of SMI during their eligibility period. • Families are not required to report increased work hours, pay raise or other income during the certificate period • Child Care Policy and Procedure Manual 5.3.3 Changes in Income during Certificate Period. Clients whose income changes during a certificate period shall remain eligible for services until the next status review. If the client's income has decreased, the client may request a fee reduction. <p>(See Chapter 6, Section 4.6) CCR&R workers shall not increase fees for clients whose income has increased due to increased work hours, pay raise or other income during the certificate period.</p>	<p>Child Care Policy and Procedure Manual 5.2 and 5.3.3 Changes in Income during Certificate Period. Clients whose income changes during a certificate period shall remain eligible for services until the next status review. If the client's income has decreased, the client may request a fee reduction.(See Chapter 6, Section 4.6) CCR&R workers shall not increase fees for clients whose income has increased due to increased work hours, pay raise or other income during the certificate period.</p> <p>Child Care Policy and Procedure Manual Appendix A - Sliding Fee Scale</p>
Wisconsin	<p>To be initially eligible, family income must be below 185% FPL. At redetermination, a family may remain eligible if family income exceeds 185% FPL but is below 85% SMI. The only difference in reporting requirements is that families with income at or below 185% FPL must report if their gross monthly household income, whether earned or unearned, increases by \$250 or more, while a family with income above 185% FPL must report if their household's gross monthly income, whether earned or unearned, exceeds a dollar amount that will bring the family's income to above the next 5% FPL increment.</p>	<p>Second tier of eligibility: Wis. Stat. s. 49.155(1)(c)1d.b. Reporting requirements: Wis. Admin. Code DCF s. 201.037</p>

Wyoming		
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