

Rhonda Prodzinski
Authorized Signature

Number: SS-PT-09-009
Issue Date: 03/19/2009

Topic: Child Care

Transmitting (check the box that best applies):

- New Policy
 Policy Change
 Policy Clarification
 Executive Letter
 Administrative Rule
 Manual Update
 Other: _____

Applies to (check all that apply):

- | | |
|---|---|
| <input type="checkbox"/> All DHS employees | <input type="checkbox"/> County Mental Health Directors |
| <input type="checkbox"/> Area Agencies on Aging | <input type="checkbox"/> Health Services |
| <input checked="" type="checkbox"/> Children, Adults and Families | <input type="checkbox"/> Seniors and People with Disabilities |
| <input type="checkbox"/> County DD Program Managers | <input type="checkbox"/> Other (please specify): |

Policy/Rule Title:	Specific Requirements; ERDC Child Care Eligibility Standard, Payment Rates, and Copayments Dependent Care Costs; Deduction and Coverage		
Policy/Rule Number(s):	OAR 461-135-0400, 461-155-0150, 461-160-0040	Release No:	
Effective Date:	04/01/2009	Expiration:	N/A
References:	Family Services Manual		
Web Address:	http://www.dhs.state.or.us/policy/selfsufficiency/publications/ss-pt-09-009-rule-attach.pdf http://www.dhs.state.or.us/policy/selfsufficiency/publications/ss-pt-09-007.pdf		

Discussion/Interpretation: Oregon Senate Bill 5552 passed by the 2009 Legislature requires several changes to the Employment Related Day Care (ERDC) program regarding eligibility and benefits. The following changes will be effective April 1, 2009:

- Families will no longer receive a reduced copay (RCP) in the first month of ERDC benefits.
- Families who are self-employed will no longer be eligible for ERDC.

Reduced Copay: Clients will no longer be eligible for the reduced copay (RCP) in the initial month of ERDC eligibility. To avoid potential coding and payment errors, effective immediately, the CM system will no longer allow cases to be coded with the RCP case descriptor or need

resource. Any RCP coding put on a case for 04/01/09 benefits will be removed and a reduction notice will be sent by Central Office.

Self-employment: Families who are self-employed will no longer be eligible for ERDC. Child care hours will not be authorized during the time a parent or caretaker is working at a self-employment job. This reduction also applies to children currently in contracted Head Start slots.

Families with both self-employment and regular employment may be eligible for child care only during the regular work hours. Self-employment earnings will continue to be counted as income for these cases. There are no changes in how self-employment income is calculated.

If there are two adults in the filing group and one adult is only self-employed, the self-employed adult is considered available to provide child care, making the filing group ineligible.

- Example 1: Caretaker works as an employee at a job 20 hours a week and has self-employment earnings that allow for 15 work hours a week. The allowable cc work hours will only be the 20 hours x 4.3 = 86. The self-employment earnings will continue to be coded as SLF on the case.
- Example 2: The caretaker is employed at a job 30 hours per week, their spouse or second parent is self-employed working 40 hours a week. For ERDC there is no eligibility. The spouse or second parent is considered available to provide care.

The web-based ERDC Copay Calculator is available online at:

http://dhsmanuals.hr.state.or.us/ERDC_CALC/FMPRO?-db=ERDCCALC.fp5&-lay=Main&-format=input.htm&-findany#copay.

Implementation/Transition Instructions:

Effective immediately, staff will be unable to code the CM case with the RCP case descriptor and the RCP need resource.

- If the client is eligible for the reduced copay prior to April 1, 2009, notify Direct Pay Unit (DPU) via electronic provider connection or green provider listing form to have the RCP applied to the case for 03/09 or earlier.
- Narrate clearly what month the client was eligible for the reduced copay.

ERDC cases identified with SLF income will be closed effective 03/31/09 and *timely continuing benefit decision notices* will be sent by Central Office. The notice will ask clients to verify their eligibility by March 31, 2009 if they disagree with the action (copy of the notice is attached at the bottom of the transmittal). Branch staff must redetermine eligibility before reopening ERDC benefits. Central Office staff will be working with the local DHS offices on affected contracted Head Start slots.

Please remember confidentiality policy when communicating these changes to providers. You cannot share with a provider why a case was closed.

Training/Communication Plan:

- Transmittal to the field.

Local/Branch Action Required:

- Review Administrative Rules and FSM policy changes effective 04/01/09.
- Effective 04/01/2009, deny new ERDC cases with only self-employment income.
- Branches will receive a list of ERDC cases that have been identified with SLF income coding. If clients provide the requested verification, workers must redetermine ERDC eligibility and take appropriate action.
- Branches that identify ineligible cases which are not included in the above list(s), must close the cases and send timely continuing benefit decision notice. The notice must include an explanation of the type of proof that is required for continued eligibility.
- ERDC overpayments that meet the \$200 threshold may need to be written for benefits received after 04/01/09 for self-employment cases.

Central Office Action Required:

- Amended OAR 461-160-0040, 461-155-0150, 461-135-0400.
- Updated FSM Child Care Assistance Chapter and other relevant FSM sections and forms.
- Close identified cases and send *timely continuing benefit decision notice*.
- Narrate in TRACS on action taken.
- Update ERDC Core Training.
- Send notice to child care providers regarding policy changes.
- Provide follow-up information and technical support through questions and answers.

Field/Stakeholder review: Yes No

If yes, reviewed by: CAF, SSP Field Review Representatives

Filing Instructions: None

If you have any questions about this policy, contact:

Contact(s):	Barbara Zharkoff, ERDC Policy Analyst 503-945-6087 Peggy Cain, ERDC Policy Analyst 503-945-6247 Shiela Carter, ERDC Policy Analyst 503-945-6110		
Phone:		Fax:	503-373-7032
E-mail:	POLICY, CHILDCARE		

Self-employment Notice:

Notice of Decision and Action Taken

Oregon law makers passed changes to the eligibility rules for the Employment Related Day Care (ERDC) program.

On April 1, 2009, families who are self-employed will no longer get ERDC benefits.

We show your family has self-employment income. Your ERDC benefits will end March 31, 2009.

You may still be able to get help with ERDC for hours you work at a different job. You must send proof of your income from that job. We need proof from the last 30 days. This could be pay stubs or a letter from your employer.

You must give us the proof by March 31, 2009 to determine ongoing benefits.

Oregon Administrative Rules: 461-160-0040, 461-135-0400, 461-120-0110 and 461-155-0150

If you don't agree with this, you have the right to a hearing. Read the back of this form for more information.
