



NATIONAL CENTER ON
Subsidy Innovation and Accountability



National Center on Tribal
Early Childhood Development

Subsidy Eligibility Considerations for American Indian and Alaska Native Child Care and Development Fund Grantees

Office of Child Care's 2018 American Indian
and Alaska Native Regional Conference

Introductions



Agenda

- ◆ Overview of Child Care and Development Fund (CCDF) subsidy
- ◆ Eligibility requirements
- ◆ Continuity of care
- ◆ Categorical eligibility
- ◆ State-tribal coordination





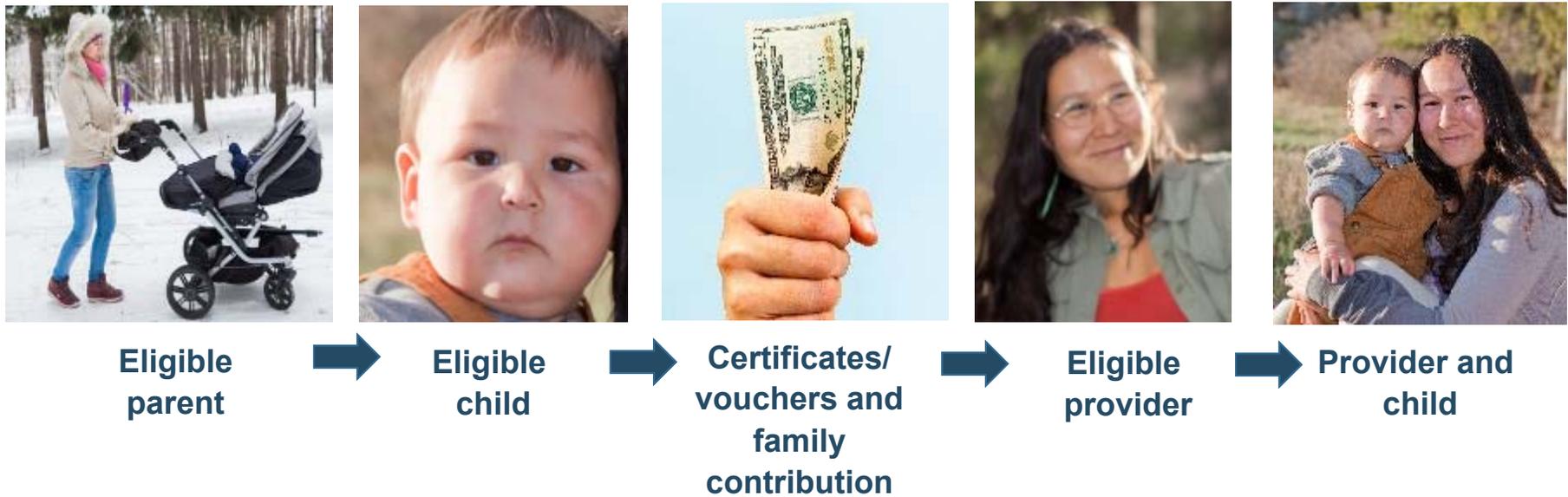
NATIONAL CENTER ON
Subsidy Innovation and Accountability



National Center on Tribal
Early Childhood Development

CCDF Subsidy

How Subsidy Works: An Example



Source: Child Care State Capacity Building Center. (2017). *Fundamentals of CCDF Administration*. Washington, DC: Office of Child Care. Retrieved from https://ccdf-fundamentals.icfcloud.com/fundamentals_tools.

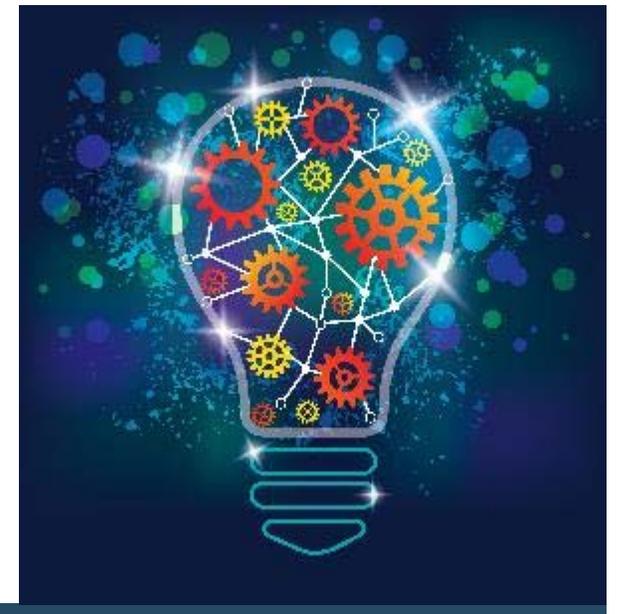
How are child care services provided?

- ◆ Certificate programs
- ◆ Tribally operated child care centers
- ◆ Contracts and grants

Note: American Indian and Alaska Native (AI/AN) CCDF grantees with small allocations are not required to provide direct services.

Direct Services

With the additional flexibilities within the CCDF final rule and additional funding for FY18, will your program be making changes to the services it offers?





NATIONAL CENTER ON
Subsidy Innovation and Accountability



National Center on Tribal
Early Childhood Development

Eligibility Requirements

Eligibility Overview

- ◆ Requirements for **all** AI/AN grantees
 - Eligibility definitions of “Indian child” and service area
 - Dual eligibility for AI/AN children
- ◆ Requirements for grantees with **medium and large** allocations
 - Additional eligibility criteria
 - Stable financial assistance
 - Parental choice
 - Payment rates
 - Payment practices

Eligibility Requirements for Small Allocation Grantees

- ◆ Eligibility criteria:
 - Define “Indian child,” and
 - Define the service area.
- ◆ Small allocation grantees have **flexibility** to set their own eligibility requirements.



Source: Child Care and Development Fund, 45 C.F.R § 98.83 (2016).

Child Eligibility Requirements

Child Age

- ◆ Must be under 13 years of age at the time of eligibility determination.
- ◆ The Tribal Lead Agency (TLA) may serve a child up to age 19 if the child is mentally or physically incapable of self-care or is under court supervision.
- ◆ A child will remain eligible through any change in age, including turning 13 years old during the eligibility period.

Service Area, Resides with, and Family Income

- ◆ A child receiving services must live within the tribal service area.
- ◆ A child must reside with parents, legal guardians, foster parents, or individuals acting in loco parentis.
- ◆ A child must reside with a family whose income does not exceed 85 percent of the grantee median income, or must receive or be in need of receiving protective services.

Indian Child

- ◆ A child must meet the TLA definition of “Indian Child.”

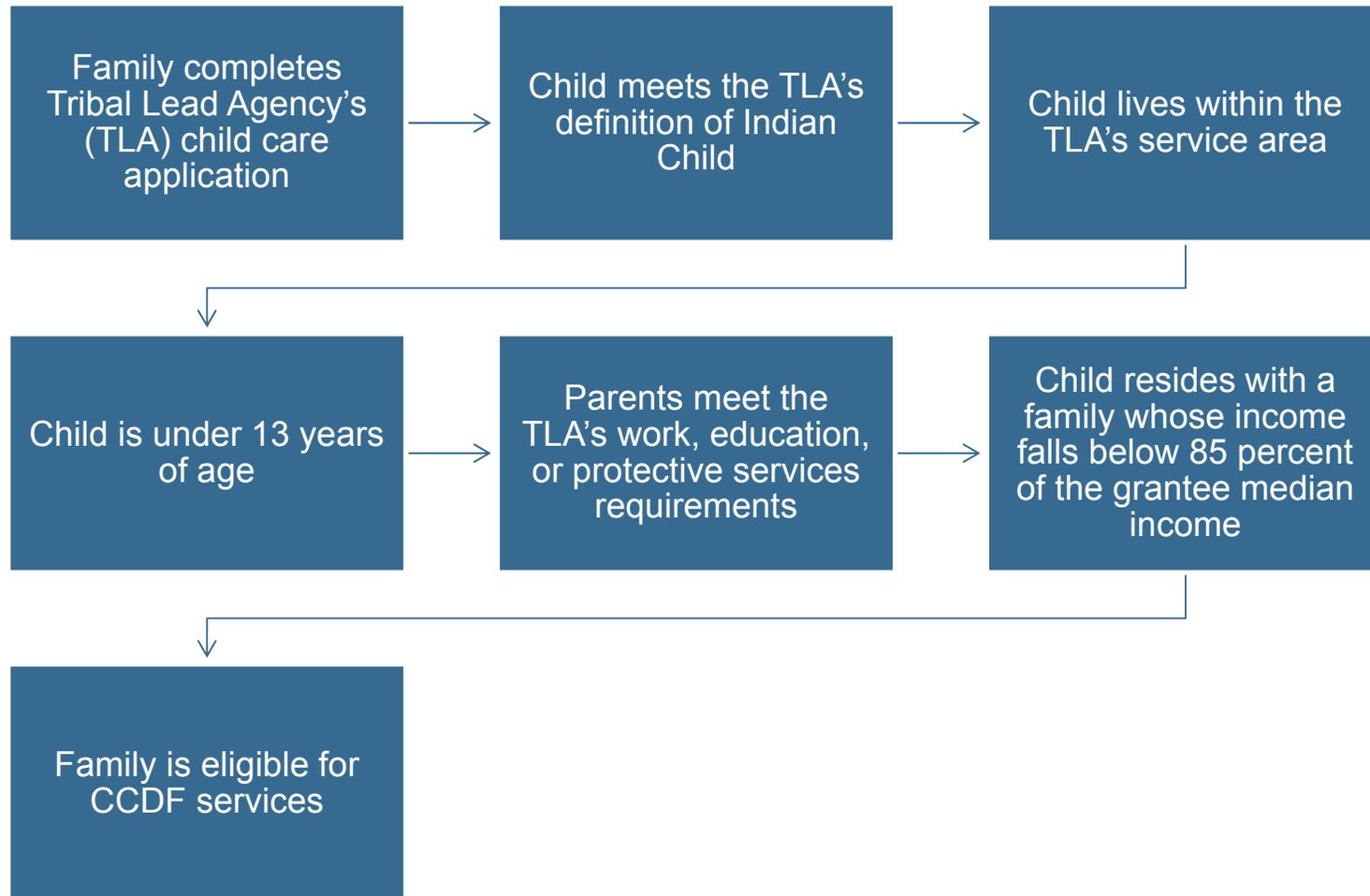
Tribal Lead Agencies must define requirements for child age, service area, resides with, family income, and Indian Child in their CCDF plans for the purpose of determining eligibility. Tribal Lead Agencies have flexibility in how they define these requirements.

Source: Tribal CCDF Plan Preprint
FFY 2017-2019

Source: Child Care and Development Fund, 45 C.F.R. §§ 98.20, 98.21, 98.81 (2016).

How is Eligibility Determined?

Example of an eligibility determination for a child that meets the TLA's eligibility criteria



Grantee Median Income

- ◆ State median income (SMI)
- ◆ Tribal median income (TMI)
- ◆ Grantee median income (GMI)



Source: Child Care and Development Fund, 45 C.F.R. § 98.81 (2016).

Basic Income Requirements

- ◆ For a child to be eligible for child care services, the child must reside with a family:
 - whose income does not exceed 85 percent of GMI, based on the most recent GMI data provided by the Census Bureau for a family of the same size; and
 - whose family assets do not exceed \$1,000,000 (as certified by each family member).

Tribal Lead Agencies must define “income” in their CCDF plans for the purpose of determining eligibility. Tribal Lead Agencies have flexibility in defining “income.” This flexibility allows for the exclusion or deduction of certain types of income, as defined by the Lead Agency, from calculations of total family income for the purpose of eligibility determination.

Source: Tribal CCDF Plan Preprint FFY 2017-2019

Source: Child Care and Development Fund, 45 C.F.R. §§ 98.20, 98.81 (2016).

Examples of Potential Income Exclusions

- ◆ Federal tax credits
- ◆ Federal or state tax returns
- ◆ Temporary Assistance for Needy Families (TANF)
- ◆ Supplemental Nutrition Assistance Program (SNAP)
- ◆ Child support payments
- ◆ State tax credits
- ◆ Tribal per capita income
- ◆ Income from Alaska Native Corporation dividends
- ◆ One-time lump sum benefits
- ◆ Income from scholarships, grants, or loans
- ◆ Work deduction
- ◆ Income from certain family members
- ◆ Income earned from traditional means, such as carving or selling of native crafts

Note: Tribal Lead Agencies have the flexibility to determine what income sources will be excluded when determining eligibility. This list is not exhaustive.

Parental Activities

For a child to be eligible for child care services, the child must reside in a family where the parents are:

- ◆ working;
- ◆ attending a job training program;
- ◆ attending an education program; or
- ◆ the children are receiving, or need to receive, protective services.

Source: Child Care and Development Fund, 45 C.F.R. § 98.20 (2016).

Tribal Lead Agencies must define “working,” “attending a job training program,” “attending an educational program,” and “protective services” in their CCDF plan for the purpose of determining eligibility.

Tribal Lead Agencies have broad flexibility in defining “working,” “attending a job training program,” and “attending an educational program.” The definitions provided should include any allowable activities, including travel time and study time. Definitions should also address any limitations, such as minimum hours required or maximum hours allowed.

Tribal Lead Agencies have the flexibility to define “protective services” beyond formal child welfare or foster care cases.

Source: Tribal CCDF Plan Preprint
FFY 2017- 2019

Eligibility Criteria

With the additional flexibilities within the CCDF final rule, what changes will your program be making within its eligibility criteria?



Priority for Child Care Services

- ◆ AI/AN CCDF grantees shall provide priority for child care services to:
 - children with special needs, which may include any vulnerable population as defined by the Lead Agency
 - children experiencing homelessness

Source: Child Care and Development Fund, 45 C.F.R. §§ 98.46, 98.83 (2016).

Examples of Vulnerable Populations

Vulnerable populations can include, but are not limited to, children:

- in the child welfare system
- of teenage parents
- of parents enrolled in drug or alcohol rehabilitation services
- of parents needing nontraditional hours of care

Vulnerable Populations

- ◆ What children does your Tribal Lead Agency consider “vulnerable?”
- ◆ What changes will you be making to this definition in your next CCDF plan?



NATIONAL CENTER ON
Subsidy Innovation and Accountability



National Center on Tribal
Early Childhood Development

CCDF Continuity of Care

Minimum 12-Month Eligibility Period

- ◆ Applies to **all** eligibility (redetermination) periods regardless of the following:
 - changes in income, as long as income does not exceed 85 percent of GMI
 - temporary changes in work, education, or job training.

Tribal Lead Agencies are prohibited from allowing shorter eligibility periods within the minimum 12-month eligibility period.

Source: Child Care and Development Fund, 45 C.F.R § 98.21(a)(1)(2016).

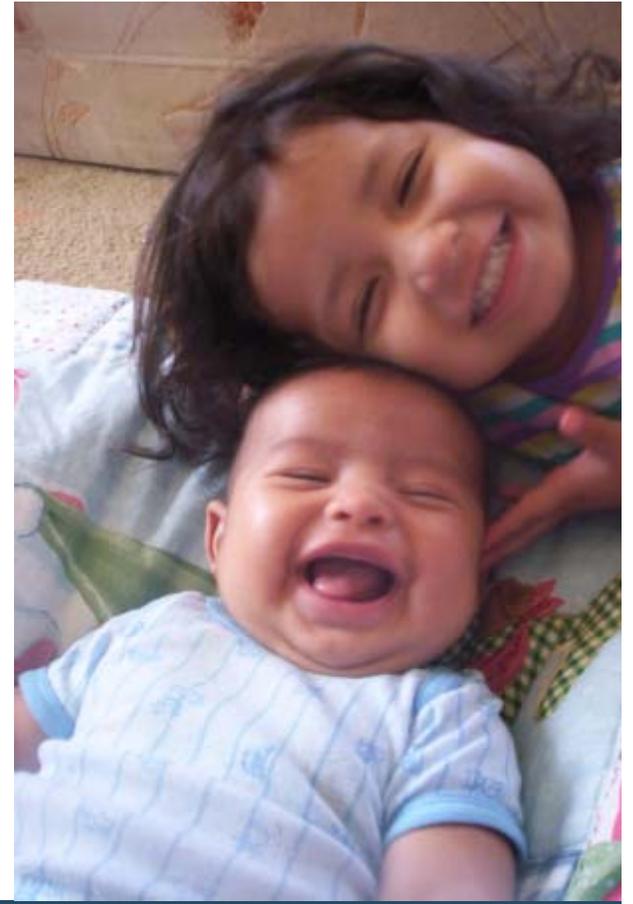
Benefits of 12-Month Eligibility

- ◆ For families:
 - Promotes continuity of access to subsidy for low-income families
- ◆ For Tribal Lead Agencies:
 - Reduces the administrative burden for CCDF Lead Agency staff
 - Helps to align with other early childhood programs



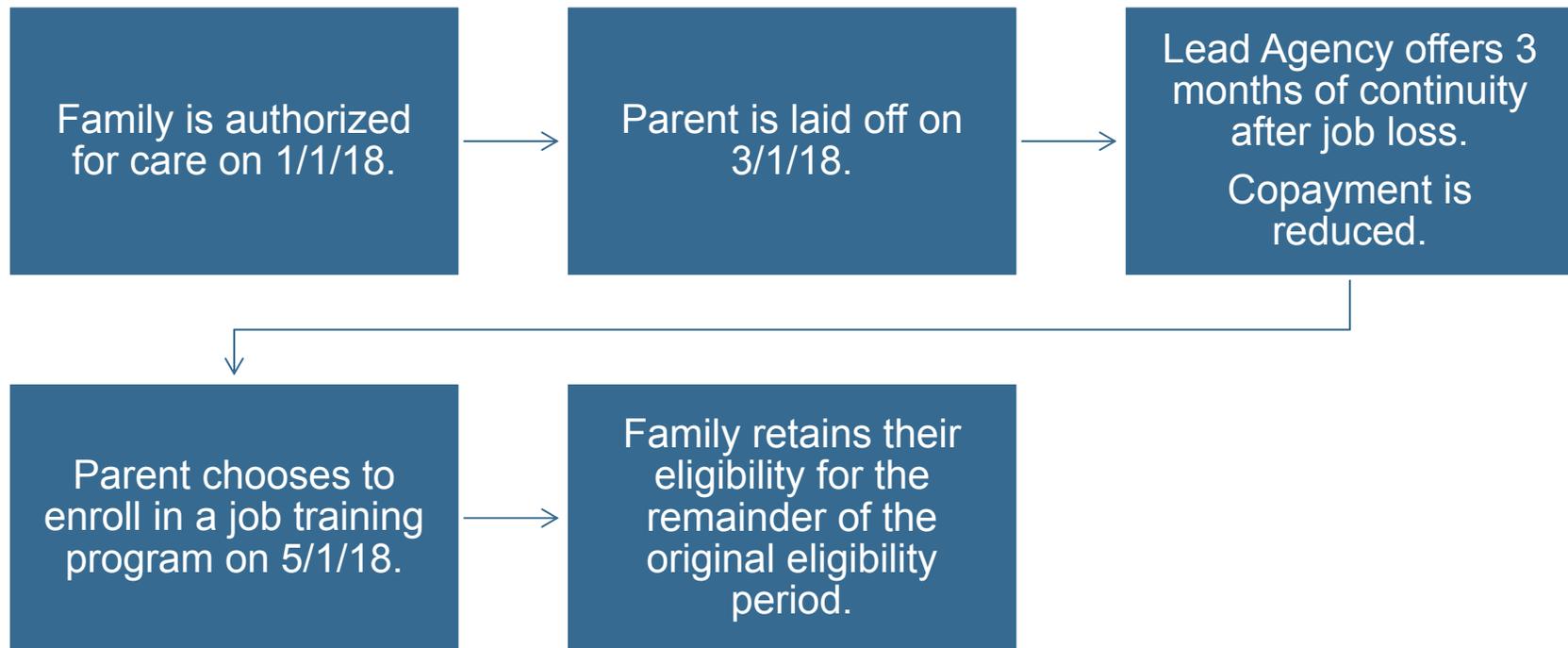
Eligibility Period

- ◆ Grantees are **prohibited** from redetermining a child's eligibility before 12 months following the initial determination.
- ◆ Families can voluntarily choose to end services at any time.



Source: Child Care and Development Fund, 45 C.F.R § 98.21(a) (2016).

Eligibility Timeline Example #1



Continuity of Care

- ◆ How will your programs eligibility periods be structured?
- ◆ Will your program use the minimum three month transition period, or longer?





NATIONAL CENTER ON
Subsidy Innovation and Accountability



National Center on Tribal
Early Childhood Development

Graduated Phase-Out

Graduated Phase-Out

- ◆ Applies to medium and large allocation AI/AN CCDF grantees
- ◆ The law requires AI/AN CCDF grantees to have graduated phase-out policies and procedures for families who (at redetermination) exceed the Lead Agency's initial income threshold, if their income is still below 85 percent of GMI, provided they are also working or attending a job training or education program.

Note: If the Lead Agency's initial eligibility threshold is set at 85 percent of GMI, this requirement does not apply to them.

- ◆ The final rule requires two-tiered eligibility, with the second tier at:
 - 85 percent of GMI; or
 - An amount lower than 85 percent of GMI for a family of the same size, but above the initial eligibility threshold.

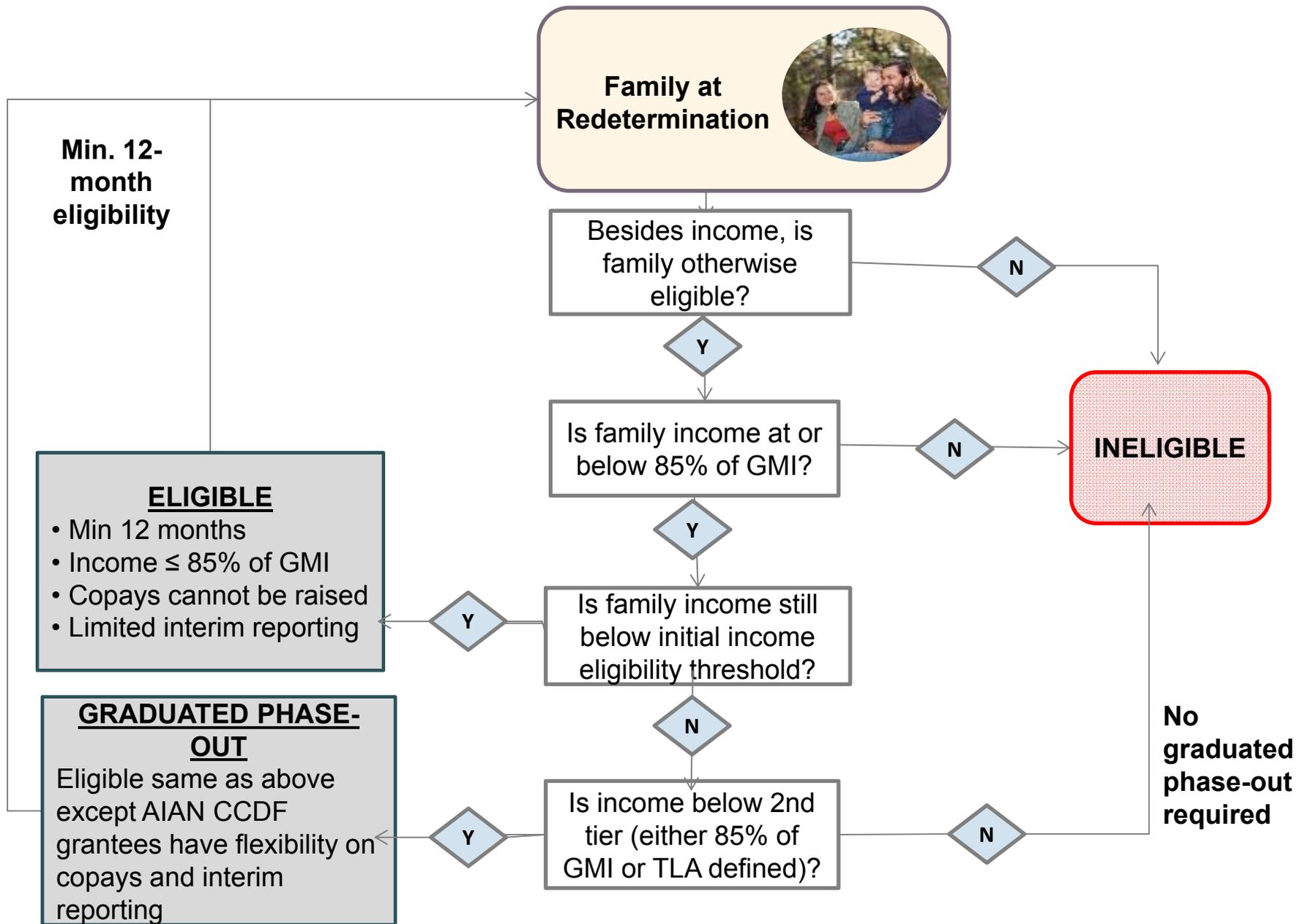
Source: Child Care and Development Fund, 45 C.F.R § 98.21 (2016).

Graduated Phase-Out (cont.)

- ◆ Applies to medium and large allocation AI/AN CCDF grantees
- ◆ Once deemed eligible, a family shall receive a full eligibility period under the same conditions as a typical eligibility period.
- ◆ AI/AN CCDF grantees may increase copayments during graduated phase-out.
- ◆ A family shall be considered eligible for the full minimum 12-month eligibility period even if its income exceeds the second eligibility threshold, as long as it does not exceed 85 percent of GMI.

Source: Child Care and Development Fund, 45 C.F.R § 98.21 (2016).





Think-Pair-Share

- ◆ Given the FY18 GMI for your state or tribe, will you need to implement graduated phase-out in your upcoming plan cycle?
- ◆ Does the increase in your TLA's allocation play into this decision?



NATIONAL CENTER ON
Subsidy Innovation and Accountability



National Center on Tribal
Early Childhood Development

Categorical Eligibility

Categorical Eligibility

If the a Lead Agency's TMI is below 85 percent of the SMI, then, at the tribe's discretion, any Indian child in the tribe's service area shall be considered eligible to receive CCDF funds, regardless of the family's income, work, or training status.

Source: Child Care and Development Fund, 45 C.F.R. § 98.81 (2016).

Categorical Eligibility

If an AI/AN CCDF grantee chooses to use this option, the Lead Agency must continue to abide by the following conditions:

- ◆ Children with the highest needs must be prioritized.
- ◆ All other subsidy administration and equal access requirements (i.e., sliding fee scale, family co-payments) continue to apply.

Source: Child Care and Development Fund, 45 C.F.R. § 98.81 (2016).

Benefits of Categorical Eligibility

- ◆ Increased flexibility
- ◆ Alignment opportunities with the following:
 - Early Head Start–Child Care Partnerships
 - Tribal Home Visiting
 - Head Start
 - Early Head Start
 - State-specific early learning programs



Categorical Eligibility

- ◆ Are you considering categorical eligibility for your program?
- ◆ What are some benefits or drawbacks to this option for your Tribal Lead Agency?



NATIONAL CENTER ON
Subsidy Innovation and Accountability



National Center on Tribal
Early Childhood Development

State-Tribal Coordination Related to CCDF Subsidy

CCDF Requirements for States that Impact Tribes



Expanding Accessibility and Continuity of Care

Example: Dual Eligibility

- ◆ Subsidy considerations for states and tribes:
 - How can the state and tribe align their subsidy systems?
 - How will the state's subsidy requirements affect the tribe?
 - How will the agencies inform families of the subsidy considerations?
 - How are the market rate data collected and disseminated?
- ◆ Dual eligibility considerations for states and tribes:
 - How will the agencies engage families?
 - Will there be a system of referral?
 - How will this dual-eligibility system function?

Dual Eligibility for AI/AN Children

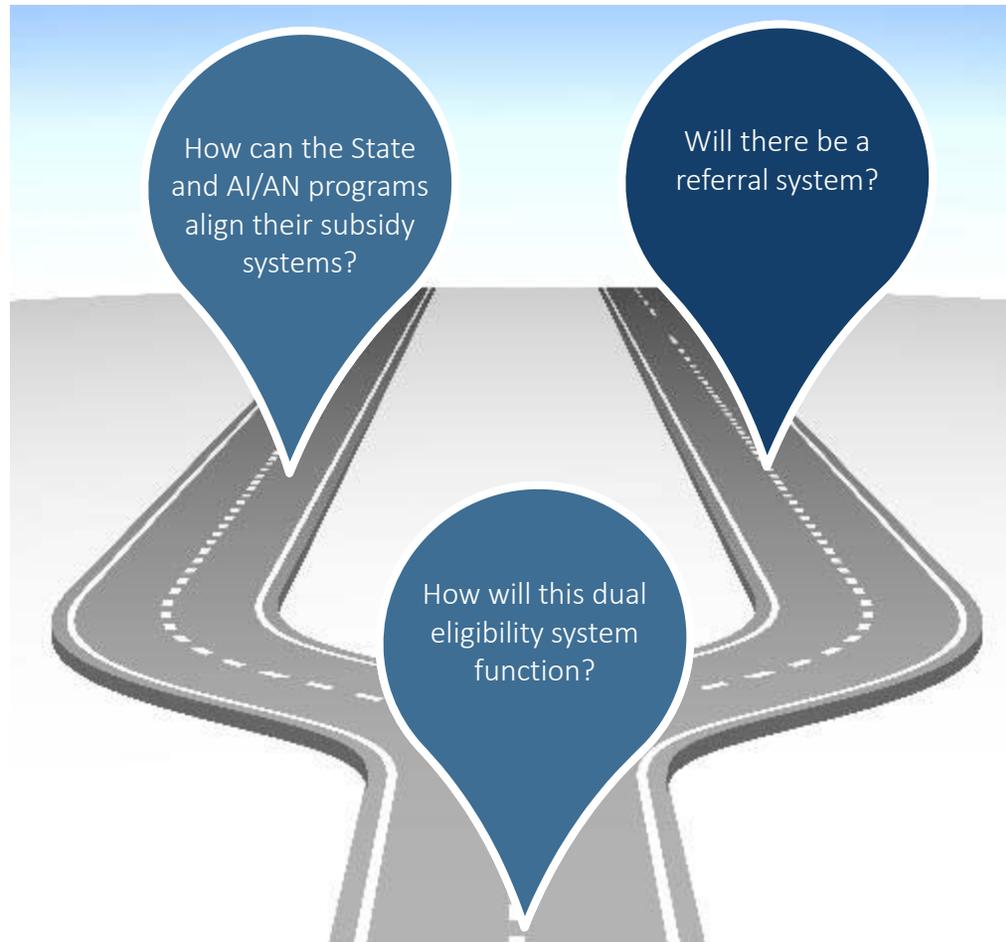
Aligning Eligibility Criteria:

- ✓ Income Limits
- ✓ Eligibility Period
- ✓ Vulnerable Populations



Dual Eligibility for AI/AN Children

DUAL ELIGIBILITY considerations



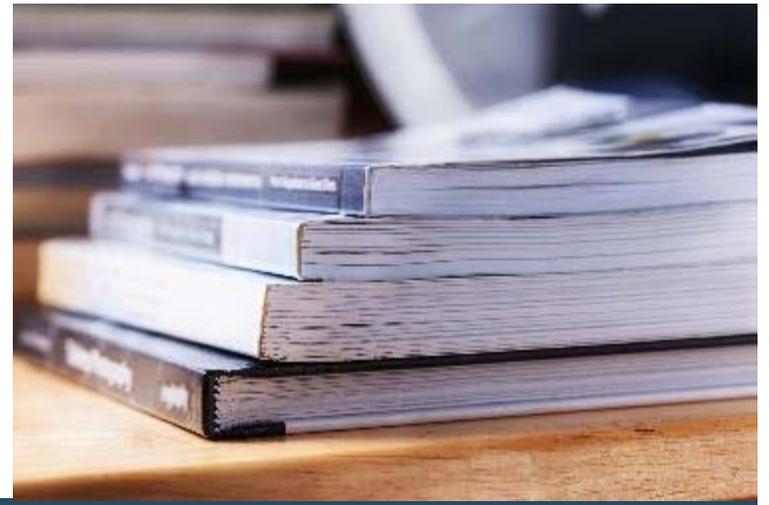
State-Tribal Coordination

- ◆ Do you have any examples of successful state-tribal coordination?
- ◆ What is one thing you wish you could share with your state counterparts?



Tools and Resources

- ◆ Subsidy Administration Resource List (handout)
- ◆ [State median income and federal poverty level \(SMI/FPL\) conversion sheets](#)
- ◆ [TMI resources](#)
- ◆ [Policies and procedures database](#)



Questions



Reflective Evaluation

What worked today?

What do we want more of?

**National Center on Subsidy Innovation and Accountability
A Service of the Office of Child Care**

12300 Twinbrook Parkway, Suite 310
Rockville, MD 20852
Phone: 301-881-2590, ext. 273
Email: ncsia@ecetta.info

**National Center on Tribal Early Childhood Development
A Service of the Office of Child Care**

9300 Lee Highway
Fairfax, VA 22031
Phone: 877-296-2401
Email: nctecd@ecetta.info

Subscribe to Updates

http://www.occ-cmc.org/occannouncements_sign-up/



ADMINISTRATION FOR
CHILDREN & FAMILIES