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**Care 4 Kids Program**  
**PROGRAM OPERATIONS TRANSMITTAL**



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DIVISION OF FAMILY SERVICES-CHILD CARE TEAM

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Transmittal Number: C4K-OPS-03-01

Date: March 11, 2003

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**To:** Lou Gettis, Program Director  
Care 4 Kids

**From:** Peter Palermino, Program Manager  
Department of Social Services

**cc:** Program Operations Distribution List

**Subject:** Income Eligibility Changes for PG 1D and PG 2

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**Program Issue:** On February 28, 2003, the Governor signed into law Public Act 03-2. PA 03-2 established a maximum income limit of up to fifty-five (55) percent of SMI for active families who qualified for Care 4 Kids based on the loss of eligibility for Temporary Family Assistance (reference Policy Transmittal C4K-POL-03-01). The current income limit for active families is seventy-five percent of SMI. The decrease is expected to result in the loss of benefits for families in the affected priority categories whose income equals or exceeds fifty-five percent of SMI. This transmittal provides direction for implementing the provisions of PA 03-2 effective April 1, 2003.

**Background:** The statutory requirements for the Care 4 Kids program are contained in section 17b-749 of the Connecticut General Statutes. The statute establishes an income eligibility limit of up to fifty percent of SMI for applicants and recipients and provides the Commissioner of DSS with discretion to increase the limit to up to seventy-five percent of SMI for applicants and recipients or recipients only. Currently, the Commissioner has exercised discretion to increase the income eligibility limit for recipients to up to seventy-five percent of SMI. Families with income below fifty percent of SMI who qualify for the program can remain eligible until the gross family income reaches seventy-five percent of SMI.

PA 03-2 amended the statute by establishing a maximum income limit of up to fifty-five percent of SMI for families who qualify based on the loss of eligibility for Temporary Family Assistance (TFA). The limit is lower than the maximum limit (75 percent of SMI) for families in other priority categories. This change only affects recipients assigned to the following priority categories:

- PG 1D Post TFA Employment and Training Extension; and
- PG 2 Post TFA Employed.

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*Connecticut's Lead Agency for Child Care Services*

Public Act 03-2 did not remove discretion to increase the income limit for families in other priorities whose eligibility is *not* based on the loss of TFA benefits. Therefore, the income eligibility limit for new applicants remains at fifty-percent of SMI and the limit for active recipients is seventy-five percent of SMI for families assigned to the following priority categories:

- PG 1A Active TFA Employed
- PG 1B Active TFA Training
- PG 1C Active TFA Employment and Training
- PG 3 Teen Parents Completing High School
- PG 5 DCF Adoption Cases with income of 50% to less than 75% of SMI
- PG 6 Employed Families with income of 50% to less than 75% of SMI

#### **Implementation:**

Public Act 03-2 was effective on March 1, 2003 or later. The Department intends to implement the changes on April 1, 2003. **In order to meet the April 1, 2003 implementation date, all formal notices (see Item # 4) must be mailed no later than March 19, 2003 to affected families and child care providers.**

In preparation, DSS has identified the following issues and procedural steps. We welcome your input and are prepared to meet with you to clarify this information.

#### **1. Family Identification and Report**

Generate a report of **all active families in PG 1D and PG 2 with income equal to or exceeding 55 percent of SMI with or without active enrollments.** The report, particularly the "amount paid", will be used by our fiscal staff to confirm the **actual** number of families/children and cost savings. The report should include at least the following fields and be submitted by March 31, 2003 or sooner:

- Family ID
- HOH First Name and Last Name
- Priority Group
- Town
- Region
- Phone Number
- Family Income
- Number of Children with Active Enrollments
- Last amount paid for each child
- Unique count of families
- Unique count of children
- Grand total of amounts paid
- Child Care Provider

## 2. Family Case Review

Conduct a desk review of the PG 1D and PG 2 cases before taking action to terminate eligibility. Use existing case information to confirm the TFA discontinuance date, priority assignment and income calculations. Create a case history narrative indicating: *action to discontinue the case was taken due to changes required by PA 03-2.*

We also request that you review the income status for the families assigned to PG 1 (18 cases) and PG 4 (1 case) with income of 50 percent of SMI or greater (February Service Month - CT 013 report). We want to assure that these cases are discontinued, if appropriate. Please report your findings as part of your report due to us by March 31, 2003 (see item #1).

## 3. Cases in Process of Redetermination or Interim Changes

Some PG 1D and PG 2 cases may have redeterminations or interim changes pending for periods prior to April 1, 2002. Eligibility determinations on these cases for periods prior to April 1, 2002 should be completed before the income limit is changed in CCMIS. In addition, processing of March or April redeterminations received in March for PG 1D and PG 2 families should be delayed until after the income limit is changed.

DSS is requesting ACS recommendations by March 14, 2003 on how to coordinate the processing of these cases.

## 4. Notices

DSS has developed a notice (see attached) to inform all affected families and their child care providers identified in Item #1. This notice should be inserted in the same envelope with the standard system generated Child Care Certificate Cancellation Notice and Notice of Discontinuance. All such notices must be sent to all affected families and child care providers identified in Item #1 and be mailed by March 19, 2003 or sooner. After April 1, 2003, any affected families and child care providers will receive the standard system Child Care Certificate Cancellation Notice and Notice of Discontinuance.

Active families affected by this action should have the following text manually entered into the worker text section of the Notice of Discontinuance and Child Care Certificate Cancellation Notice:

*A new state law, Public Act 03-2, lowered the income limit for this program*

DSS will be responsible for notifying the DSS regional offices of the change. DSS will also notify legislative leadership and other pertinent entities. DSS will send all formal DSS notices to your attention.

**5. Administrative Hearings**

As a reminder, granting an administrative/fair hearing is the sole responsibility of the DSS Office of Legal Counsel, Regulations and Administrative Hearings. The DSS hearing officers will review all family hearing requests that may result from this action and rule accordingly. C4K staff is expected to offer the usual mediation services.

**6. Care 4 Kids Call Center**

ACS is expected to notify, train and monitor the C4K Call Center as to proper information regarding this program change. Families losing eligibility should be referred to the Child Care INFOLINE for information on other child care settings and or sliding fee scale programs. In addition, families should be referred to the IRS for information on possible income tax credits and child care deductions.

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