

PROPOSED RULEMAKING

STATE BOARD OF DENTISTRY

[49 PA. CODE CH. 33]

Fees

The State Board of Dentistry (Board) proposes to amend § 33.3 (relating to fees) and delete § 33.339 (relating to fees for issuance of permits) to read as set forth in Annex A.

Effective Date

This proposed rulemaking will be effective upon publication of the final-form rulemaking in the *Pennsylvania Bulletin*. The increased application fees will be implemented immediately upon publication. Thereafter the subsequent graduated increases for application fees will be implemented on a 2-fiscal-year (FY) basis on July 1, 2023, and July 1, 2025.

The increased biennial renewal fees will be implemented with the April 1, 2021—March 31, 2023, biennial renewal period.

Statutory Authority

Section 3(o) of The Dental Law (act) (63 P.S. § 122(o)), authorizes the Board to adopt, promulgate, and enforce such rules and regulations as may be deemed necessary by the Board and proper to carry into effect the powers conferred by the act. Section 4(a) of the act (63 P.S. § 123(a)) provides that the fee for an applicant for examination and licensure to practice dentistry or as a dental hygienist or certification for an expanded function dental assistant (EFDA) in this Commonwealth shall be fixed by the Board by regulation. Section 4(b) of the act requires the Board to increase fees by regulation to meet or exceed projected expenditures if the revenues raised by fees, fines and civil penalties imposed under the act are not sufficient to meet expenditures over a 2-year period. The Board's authority to impose an application fee for a restricted faculty applicant is section 11.11(a)(7) of the act (63 P.S. § 1301(a)(7)), which provides that an applicant for a restricted faculty license shall pay a fee in the same amount as is prescribed by the Board for licensure to practice dentistry. Additionally, under section 11.11(d) of the act, to renew a restricted faculty license, a licensee must pay a biennial renewal fee in the same amount as the fee prescribed by the Board for renewal of licensure to practice dentistry.

Background and Need for Amendment

Under section 4(b) of the act, the Board is required by law to support its operations from the revenue it generates from fees, fines and civil penalties. In addition, the act provides that the Board shall increase fees if the revenue raised by fees, fines and civil penalties is not sufficient to meet expenditures over a 2-year period. The Board raises the majority of its revenue through biennial renewal fees. A small percentage of its revenue comes from application fees, fines and civil penalties.

In March and November 2019, representatives from the Bureau of Finance and Operations (BFO) met with the Board and provided summaries of the Board's revenue and expenses through FY 2025-2026. The BFO reported that in FY 2017-2018 the Board began with a revenue balance of \$1,230,886.86; however, in this same fiscal year, the Board incurred \$2,175,906.70 in expenses, resulting in a deficit of (\$573,799.20) to carry forward to

FY 2018-2019. In 2019 (a "renewal year") the Board collected revenues totaling \$3,530,770.47 and incurred \$2,378,734.70 in expenses. This provided a positive balance of \$578,236.57 to carry forward to FY 2019-2020. However, the BFO anticipates that with FY 2019-2020 being a nonrenewal year, the Board will receive only \$346,314.44 in revenue, while continuing to accrue expenses totaling \$2,397,000. This will result in a deficit of (\$1,472,448.99) to carry forward to FY 2020-2021. Because FY 2020-2021 is a renewal year, the BFO projects that the Board will collect revenue totaling \$3,379,000. However, the Board's total expenditures for FY 2020-2021 are projected to be \$2,450,000, resulting in a deficit to carry forward to FY 2021-2022 of (\$543,448.99). With no change in the fee structure, the BFO projects that with projected revenue and expenses, taking into consideration renewal years, the Board will have a deficit of (\$2,666,134.55) by the end of FY 2021-2022; a deficit of (\$1,811,134.55) by the end of FY 2022-2023; a deficit of (\$4,007,820.11) by the end of FY 2023-2024; a deficit of (\$3,228,820.11) by the end of FY 2024-2025; and a mounting deficit of (\$7,797,505.67) by the end of FY 2025-2026.

Based on the BFO's summaries, the Board's revenue is insufficient to meet expenditures over a 2-year period. It is therefore necessary for the Board to raise fees to meet or exceed projected expenditures, in compliance with section 4(b) and (c) of the act. To accomplish that objective, the BFO recommended increased application fees that are reflective of actual costs to process applications in each biennium, and an 18% renewal fee increase for each renewal cycle beginning with the April 1, 2021—March 31, 2023, biennial renewal and continuing through FY 2025-2026. The last time the Board approved a renewal fee increase was in July of 2012, which was effective for the April 2015 renewal period.

Based upon the financial information that the BFO presented to the Board on March 15, 2019, and November 15, 2019, the Board adopted the new schedule of fees set forth in Annex A. The increased fees are projected to produce sufficient revenue to meet expenditures over a 2-year period through FY 2025-2026. In FY 2020-2021 through FY 2021-2022, with the fee increase, the Board's revenue of approximately \$4.764 million will be sufficient to meet its expenditures of approximately \$4.764 million. In FY 2022-2023 through FY 2023-2024, the Board's revenue of approximately \$5.571 million will be sufficient to meet its expenditures of approximately \$4.907 million. By the end of FY 2023-2024, the Board's deficit will decrease to (\$808,448.99). In FY 2024-2025 through FY 2025-2026, the Board's revenue of approximately \$6.518 million will be sufficient to meet its expenditures of approximately \$5.054 million. By the end of FY 2025-2026, the Board will have a positive balance of \$655,551.01. Thus, the proposed fee structure will allow the Board to meet expenditures over a 2-year period as required by section 4(b) of the act and will put the Board back on firm financial ground.

Description of Proposed Amendments

This proposed rulemaking will result in the following amendments to the Board's existing fee schedules in §§ 33.3 and 33.339.

This proposed rulemaking amends § 33.3 by increasing the application fees for dentists; dental facility fictitious names; dental hygienists; EFDAs; unrestricted, restricted

I and restricted II anesthesia permits; local anesthesia permits; public health dental hygienists practitioners; EFDA program approval; criteria approval—dentists; criteria approval—dental hygienists; and criteria approval—EFDAs to cover identifiable costs incurred by the Board to process these applications. This proposed rulemaking adds a graduated application fee for a restricted faculty license. In § 33.3 the Board includes the fee for verification of license, permit or registration fee—dentists, dental hygienists and EFDAs. This fee is an existing fee that the Board is carrying over to the proposed fee schedule. The Board is not increasing this fee, but rather, keeping the same \$15 fee that is currently charged for this service.

The Board’s proposed fee schedule deletes some application fees. In § 33.3, the Board proposes to delete the notification application—postgraduate training or faculty member fee. With respect to the postgraduate training notification application fee, the Board no longer requires an application for postgraduate training, but rather, only requires hospitals or training programs to submit a notification through the Board’s electronic application system for which the Board has determined a fee is unnecessary. In place of the faculty member fee, the Board proposes to add the restricted faculty license fee to align with amendments to the act. In July 2014, the act was amended by the act of July 2, 2014 (P.L. 828, No. 89) (Act 89) to require that the Board grant, without examination, restricted faculty licenses to qualified applicants. See 63 P.S. § 130l. Act 89 requires that qualified individuals submit a completed application and an application fee in the same amount as the fee prescribed by the Board for licensure to practice dentistry (current fee of \$200). *Id.* at 130l(a)(7). Additionally, under section 11.11(d) of the act, to renew a restricted faculty license, a licensee must pay a biennial renewal fee in the same amount as the fee prescribed by the Board for renewal of licensure to practice dentistry (current fee of \$263).

In § 33.3, the Board proposes to delete the fees for certification of scores, permit or registration fee—dentists, dental hygienists and expanded function dental assistants because the Board no longer issues certifications of scores. Board examinations are now administered by National or regional organizations who provide this service. The Board proposes to delete the application fee for dental radiology authorization in § 33.3 because there is no requirement in the act or the Board’s regulations to file an application or pay a fee.

The Board proposes to delete § 33.339. The initial application and renewal fees for the anesthesia permits (unrestricted, restricted I and restricted II) appearing in § 33.339 will be moved and combined with the schedule of fees in § 33.3 so that all fees charged by the Board are listed in one location. The Board proposes to delete fees for the temporary unrestricted permit, temporary restricted permit I and temporary restricted permit II (currently listed in § 33.339) because they are now obsolete. Temporary permits were issued for a short period when Subchapter E (relating to administration of general anesthesia, deep sedation, conscious sedation and nitrous oxide/oxygen analgesia) was first adopted by the Board in 2005 to allow existing practitioners to continue to administer deep sedation or conscious sedation, or both, while awaiting their scheduled evaluation and inspection, upon receipt of a completed application, fee and educational documentation. Because a temporary permit is no longer necessary, the Board proposes to delete this fee.

The proposed application fee increases occur on a graduated basis so that the application fees collected

during each biennium reflect the anticipated costs of processing applications for that biennium. These fees are designed to cover the cost to process applications and are borne by individual applicants. Actual cost calculations for application fees are based upon the following formula:

$$\begin{aligned} & \text{number of minutes to perform the function} \\ & \qquad \times \\ & \text{pay rate for the classification of the personnel} \\ & \qquad \text{performing the function} \\ & \qquad + \\ & \text{a proportionate share of administrative overhead} \end{aligned}$$

The application fees for FY 2020-2021 are based on time study reports created within the Bureau of Professional and Occupational Affairs giving each step in the process and the amount of time it takes to process one application. That amount is multiplied by the anticipated application requests for 1 year (times two since the increases are biennial). Increases which will be effective July 1, 2023, and July 1, 2025, are calculated at an approximately 9.5% increase as pay increases for staff that process applications are 2.5% in July and 2.25% in January or 4.75 % annually (9.5% biennially) and the fee is almost entirely dependent upon personnel-related costs.

The Board proposes to increase biennial renewal fees for dentists, dental hygienists, EFDAs, anesthesia-unrestricted, anesthesia-restricted I, anesthesia-restricted II, dental hygienist local anesthesia permits, public health dental hygiene practitioners, EFDA education program approval and restricted faculty licenses. The biennial renewal fees will increase by 18% for each renewal cycle beginning in the April 1, 2021—March 31, 2023, biennial renewal period and continuing through the April 1, 2025—March 31, 2027, biennial renewal period.

When considering this proposed fee increase, the Board conducted a comparison of application fees and renewal fees charged by surrounding states. The Board found that even by comparing the highest fee increases, which will not be effective until FY 2025-2026, the Commonwealth’s application fees and renewal fees are still among the lowest or are in line, or both, with fees charged in surrounding states.

Fiscal Impact

This proposed rulemaking will increase the application fees and biennial renewal fees for all license and permit types issued by the Board. The Board receives approximately 1,979 applications annually from its various licensee types. There are currently 29,911 licensees and permit holders who will be impacted by the fee increase. Existing licensees will be required to pay 18% higher renewal fees every 2 years beginning in the April 1, 2021—March 31, 2023, biennial renewal period and continuing through the April 1, 2025—March 31, 2027, biennial renewal period.

The proposed graduated increase will impact applicants and licensees as follows:

Dentists

The Board receives approximately 465 dentist applications per year. The graduated application fee increases will impact applying dentists as follows: FYs 2020-2021 and 2021-2022, the application fee for dentist applicants will increase by \$35, followed by an increase of \$25 in FYs 2022-2023 and 2023-2024, and an increase of \$22 in FYs 2024-2025 and 2025-2026.

There are approximately 9,958 dentists who must renew biennially. In FY 2020-2021, dentists will pay an additional \$47 to renew their license, followed by an increase of \$56 to renew their license in FY 2022-2023, and an additional \$66 to renew their license in FY 2024-2025.

Dental facility (fictitious name)

The Board receives approximately 75 dental facility (fictitious name) applications per year. The graduated application fee increases will impact applying dental facilities as follows: FYs 2020-2021 and 2021-2022, the application fee for a dental facility (fictitious name) will increase by \$30, followed by an increase of \$6 in FYs 2022-2023 and 2023-2024, and an increase of \$7 in FYs 2024-2025 and 2025-2026.

Dental facilities are not required to renew the fictitious name registration with the Board; therefore, the initial application fee is the only fiscal impact to dental facilities.

Dental hygienist

The Board receives approximately 400 dental hygienist applications per year. The graduated application fee increases will impact applying dental hygienists as follows: FYs 2020-2021 and 2021-2022, the application fee for dental hygienist applicants will increase by \$65, followed by an increase of \$14 in FYs 2022-2023 and 2023-2024, and an increase of \$14 in FYs 2024-2025 and 2025-2026.

There are approximately 9,335 dental hygienists who must renew biennially. In FY 2020-2021, dental hygienists will pay an additional \$8 to renew their license, followed by an increase of \$9 to renew their license in FY 2022-2023, and an additional \$11 to renew their license in FY 2024-2025.

EFDA

The Board receives approximately 275 EFDA applications per year. The graduated application fee increases will impact applying EFDAs as follows: FYs 2020-2021 and 2021-2022, the application fee for EFDA applicants will increase by \$35, followed by an increase of \$10 in FYs 2022-2023 and 2023-2024, and an increase of \$12 in FYs 2024-2025 and 2025-2026.

There are approximately 2,804 EFDAs who must renew biennially. In FY 2020-2021, EFDAs will pay an additional \$5 to renew their license, followed by an increase of \$6 to renew their license in FY 2022-2023, and an additional \$7 to renew their license in FY 2024-2025.

Anesthesia—unrestricted permit applications

The Board receives approximately 30 anesthesia unrestricted permit applications per year. The graduated application fee increases will impact applicants applying for an anesthesia—unrestricted permit as follows: FYs 2020-2021 and 2021-2022, the application fee for an anesthesia—unrestricted permit will increase by \$50, followed by an increase of \$15 in FYs 2022-2023 and 2023-2024, and an increase of \$15 in FYs 2024-2025 and 2025-2026.

There are approximately 393 anesthesia—unrestricted permit holders who must renew biennially. In FY 2020-2021, anesthesia—unrestricted permit holders will pay an additional \$38 to renew their permit, followed by an increase of \$45 to renew their permit in FY 2022-2023, and an additional \$53 to renew their permit in FY 2024-2025.

Anesthesia—restricted I permit

The Board receives approximately 25 anesthesia—restricted I permit applications per year. The graduated application fee increases will impact applicants applying for an anesthesia—restricted I permit as follows: FYs 2020-2021 and 2021-2022, the application fee for an anesthesia—restricted I permit will increase by \$50, followed by an increase of \$15 in FYs 2022-2023 and 2023-2024, and an increase of \$15 in FYs 2024-2025 and 2025-2026.

There are approximately 196 anesthesia—restricted I permit holders who must renew biennially. In FY 2020-2021, anesthesia—restricted I permit holders will pay an additional \$38 to renew their permit, followed by an increase of \$45 to renew their permit in FY 2022-2023, and an additional \$53 to renew their permit in FY 2024-2025.

Anesthesia—restricted II permits

The Board receives approximately 175 anesthesia—restricted II permit applications per year. The graduated application fee increases will impact applicants applying for an anesthesia—restricted II permit as follows: FYs 2020-2021 and 2021-2022, the application fee for an anesthesia—restricted II permit will increase by \$50, followed by an increase of \$6 in FYs 2022-2023 and 2023-2024, and an increase of \$7 in FYs 2024-2025 and 2025-2026.

There are approximately 2,379 anesthesia restricted II permit holders who must renew biennially. In FY 2020-2021, anesthesia—restricted II permit holders will pay an additional \$10 to renew their permit, followed by an increase of \$11 to renew their permit in FY 2022-2023, and an additional \$13 to renew their permit in FY 2024-2025.

Dental hygienist local anesthesia permit

The Board receives approximately 425 dental hygienist local anesthesia permit applications per year. The graduated application fee increases will impact applicants applying for a dental hygienist local anesthesia permit as follows: FYs 2020-2021 and 2021-2022, the application fee for a dental hygienist local anesthesia permit will increase by \$30, followed by an increase of \$5 in FYs 2022-2023 and 2023-2024, and an increase of \$5 in FYs 2024-2025 and 2025-2026.

There are approximately 3,912 dental hygienist local anesthesia permit holders who must renew biennially. In FY 2020-2021, dental hygienist local anesthesia permit holders will pay an additional \$8 to renew their permit, followed by an increase of \$9 to renew their permit in FY 2022-2023, and an additional \$11 to renew their permit in FY 2024-2025.

Public health dental hygiene practitioners

The Board receives approximately 95 public health dental hygiene practitioner applications per year. The graduated application fee increases will impact applying public health dental hygiene practitioners as follows: FYs 2020-2021 and 2021-2022, the application fee for a public health dental hygiene practitioner will increase by \$60, followed by an increase of \$8 in FYs 2022-2023 and 2023-2024, and an increase of \$7 in FYs 2024-2025 and 2025-2026.

There are approximately 905 public health dental hygiene practitioners who must renew biennially. In FY 2020-2021, public health dental hygiene practitioners will pay an additional \$8 to renew their license, followed by

an increase of \$9 to renew their license in FY 2022-2023, and an additional \$11 to renew their license in FY 2024-2025.

Expanded Function Dental Assistant Education Program

The Board receives approximately two EFDA program applications per year. The graduated application fee increases will impact applicants for EFDA education programs as follows: FYs 2020-2021 and 2021-2022, the application fee for an EFDA education program will increase by \$115, followed by an increase of \$30 in FYs 2022-2023 and 2023-2024, and an increase of \$33 in FYs 2024-2025 and 2025-2026.

There are approximately seven EFDA education programs that must renew biennially. In FY 2020-2021, EFDA education programs will pay an additional \$18 to renew their license, followed by an increase of \$21 to renew their license in FY 2022-2023, and an additional \$25 to renew their license in FY 2024-2025.

Restricted faculty license holders

The Board receives approximately nine restricted faculty license applications per year. The graduated application fee increases will impact applicants for restricted faculty licenses as follows: FYs 2020-2021 and 2021-2022, the application fee for a restricted faculty license will increase by \$35, followed by an increase of \$25 in FYs 2022-2023 and 2023-2024, and an increase of \$22 in FYs 2024-2025 and 2025-2026.

There are approximately 22 restricted faculty license holders who must renew biennially. In FY 2020-2021, restricted faculty license holders will pay an additional \$47 to renew their license, followed by an increase of \$56 to renew their license in FY 2022-2023, and an additional \$66 to renew their license in FY 2024-2025.

Dental license by criteria approval

The Board receives approximately six dental license by criteria approval applications per year. The graduated application fee increases will impact applicants for dental license by criteria approval as follows: In FYs 2020-2021 and 2021-2022, the application fee for a dental license by criteria approval will increase by \$35, followed by an increase of \$25 in FYs 2022-2023 and 2023-2024, and an increase of \$22 in FYs 2024-2025 and 2025-2026.

Dental hygienist applications by criteria approval

The Board receives approximately three dental hygienist license by criteria approval applications per year. The graduated application fee increases will impact applicants for dental hygienist license by criteria approval as follows: FYs 2020-2021 and 2021-2022, the application fee for a dental hygienist license by criteria approval will increase by \$65, followed by an increase of \$14 in FYs 2022-2023 and 2023-2024, and an increase of \$14 in FYs 2024-2025 and 2025-2026.

EFDA applications by criteria approval

The Board receives approximately three EFDA license by criteria approval applications per year. The graduated application fee increases will impact applicants for EFDA license by criteria approval as follows: FYs 2020-2021 and 2021-2022, the application fee for an EFDA by criteria approval will increase by \$65, followed by an increase of \$14 in FYs 2022-2023 and 2023-2024, and an increase of \$14 in FYs 2024-2025 and 2025-2026.

The total collective economic impact to applicants for licenses and permits over three biennial periods will be \$271,848 (\$85,245 in FYs 2020-2021 and 2021-2022 + \$25,704 in FYs 2022-2023 and 2023-2024 + \$24,975 in FYs 2024-2025 and 2025-2026 = \$271,848). The total collective economic impact to these license/permit holders to renew their licenses over three biennial renewal periods will be \$2,295,934 (\$643,420 in FY 2020-2021 + \$756,040 in FY 2022-2023 + \$896,474 in FY 2024-2025 = \$2,295,934).

This proposed rulemaking should have no other fiscal impact on the private sector, the general public or political subdivisions of the Commonwealth.

Paperwork Requirements

This proposed rulemaking will require the Board to alter its online application and renewal forms to reflect the new fees; however, the amendments will not create additional paperwork for the regulated community or for the private sector.

Sunset Date

The Board continuously monitors the effectiveness of its regulations. Therefore, no sunset date has been assigned. Additionally, the BFO provides the Board with an annual report detailing the Board's financial condition. In this way, the Board continuously monitors the adequacy of its fee schedule.

Regulatory Review

Under section 5(a) of the Regulatory Review Act (71 P.S. § 745.5(a)), on October 29, 2020, the Board submitted a copy of this proposed rulemaking and a copy of the Regulatory Analysis Form to the Independent Regulatory Review Commission (IRRC) and to the Chairpersons of the House Professional Licensure Committee and the Senate Consumer Protection and Professional Licensure Committee. A copy of this material is available to the public on request.

Under section 5(g) of the Regulatory Review Act, IRRC may convey any comments, recommendations or objections to the proposed rulemaking within 30 days of the close of the public comment period. The comments, recommendations or objections must specify the regulatory review criteria that have not been met. The Regulatory Review Act specifies detailed procedures for review, prior to final publication of the rulemaking, by the Board, the General Assembly and the Governor of any comments, recommendations and objections raised.

Public Comment

Interested persons are invited to submit written comments, suggestions or objections regarding this proposed rulemaking to Jackie Wiest Lutz, Assistant Counsel, Department of State, P.O. Box 69523, Harrisburg, PA 17106-9523, RA-STRegulatoryCounsel@pa.gov within 30 days following publication of this proposed rulemaking in the *Pennsylvania Bulletin*. Reference Regulation No. 16A-4634 (Fees) on all comments.

R. IVAN LUGO, DMD,
Chairperson

Fiscal Note: 16A-4634. No fiscal impact; (8) recommends adoption.

Annex A

TITLE 49. PROFESSIONAL AND VOCATIONAL STANDARDS

PART I. DEPARTMENT OF STATE

Subpart A. PROFESSIONAL AND OCCUPATIONAL AFFAIRS

CHAPTER 33. STATE BOARD OF DENTISTRY

Subchapter A. GENERAL PROVISIONS

§ 33.3. Fees.

[(a) Following is the schedule of fees charged by the Board:

Application fee—dentists	\$200
Application fee—dental hygienists.....	\$75
Application fee—expanded function dental assistants	\$75
Application fee—certificate of public health dental hygiene practitioner	\$20
Application fee—local anesthesia permit ..	\$20
Criteria approval application fee dentists .	\$200
Criteria approval application fee—dental hygienists.....	\$75
Criteria approval application fee expanded function dental assistants	\$75
Fictitious name registration fee	\$35
Verification of license, permit or registration fee—dentists, dental hygienists and expanded function dental assistants	\$15

Certification of scores, permit or registration fee—dentists, dental hygienists and expanded function dental assistants	\$25
EFDA program approval application fee...	\$200
Biennial renewal fee—dentists.....	\$263
Biennial renewal fee—dental hygienists...	\$42
Biennial renewal fee—expanded function dental assistants.....	\$26
Biennial renewal fee—EFDA program approval	\$100
Biennial renewal fee—certificate of public health dental hygiene practitioner	\$42
Biennial renewal fee—local anesthesia permit	\$42
Application fee—dental radiology authorization	\$75
Notification application—postgraduate training or faculty member.....	\$75

(b) For fees related to anesthesia permits, refer to § 33.339 (relating to fees for issuance of permits).]

(a) *Application fees:*

Following is the schedule of fees charged by the Board:

(Editor's Note: The blank in the first column of effective dates refers to the date of publication of the final-form rulemaking in the *Pennsylvania Bulletin*.)

	<u>Effective</u>	<u>Effective July 1, 2023</u>	<u>Effective July 1, 2025</u>
<u>Dentist</u>	\$235.00	\$260.00	\$282.00
<u>Dental facility fictitious name</u>	\$65.00	\$71.00	\$78.00
<u>Dental hygienist</u>	\$140.00	\$154.00	\$168.00
<u>Expanded function dental assistant</u>	\$110.00	\$120.00	\$132.00
<u>Anesthesia—unrestricted</u>	\$150.00	\$165.00	\$180.00
<u>Anesthesia—restricted I</u>	\$150.00	\$165.00	\$180.00
<u>Anesthesia—restricted II</u>	\$65.00	\$71.00	\$78.00
<u>Dental hygienist local anesthesia</u>	\$50.00	\$55.00	\$60.00
<u>Public health dental hygienist practitioner</u>	\$80.00	\$88.00	\$95.00
<u>Expanded Function Dental Assistant Education Program</u>	\$315.00	\$345.00	\$378.00
<u>Restricted faculty license</u>	\$235.00	\$260.00	\$282.00
<u>Criteria approval—dentists</u>	\$235.00	\$260.00	\$282.00
<u>Criteria approval—dental hygienists</u>	\$140.00	\$154.00	\$168.00
<u>Criteria approval—expanded function dental assistants</u>	\$140.00	\$154.00	\$168.00

(b) Biennial renewal fees:

Following is the schedule of biennial renewal fees charged by the Board:

	<u>April 1, 2021— March 31, 2023 biennial renewal</u>	<u>April 1, 2023— March 31, 2025 biennial renewal</u>	<u>April 1, 2025— March 31, 2027 biennial renewal</u>
Dentist	\$310	\$366	\$432
Dental hygienist	\$50	\$59	\$70
Expanded function dental assistant	\$31	\$37	\$44
Anesthesia—unrestricted	\$248	\$293	\$346
Anesthesia—restricted I	\$248	\$293	\$346
Anesthesia—restricted II	\$63	\$74	\$87
Dental hygienist local anesthesia	\$50	\$59	\$70
Public health dental hygienist practitioner	\$50	\$59	\$70
Expanded Function Dental Assistant Education Program	\$118	\$139	\$164
Restricted faculty license	\$310	\$366	\$432

(c) Miscellaneous fees:

Verification of license, permit or registration fee—dentists, dental hygienists and expanded function dental assistants \$15

Subchapter E. ADMINISTRATION OF GENERAL ANESTHESIA, DEEP SEDATION, CONSCIOUS SEDATION AND NITROUS OXIDE/OXYGEN ANALGESIA

§ 33.339. [Fees for issuance of permits] (Reserved).

[The following fees are charged for the issuance of permits under this subchapter:

(1) Unrestricted permit.

- (i) Initial..... \$100
- (ii) Renewal \$210
- (iii) Temporary \$100

(2) Restricted permit I.

- (i) Initial..... \$100
- (ii) Renewal \$210
- (iii) Temporary \$100

(3) Restricted permit II.

- (i) Initial..... \$15
- (ii) Renewal \$53
- (iii) Temporary\$15]

[Pa.B. Doc. No. 20-1569. Filed for public inspection November 13, 2020, 9:00 a.m.]

DEPARTMENT OF HUMAN SERVICES

**[55 PA. CODE CHS. 3041 AND 3042]
Subsidized Child Care Eligibility**

The Department of Human Services (Department) under the authority of sections 201(2), 403(b) and 403.1 of the Human Services Code (62 P.S. §§ 201(2), 403(b) and 403.1) proposes to rescind Chapter 3041 and adopt Chap-

ter 3042 (relating to subsidized child care eligibility) as set forth in Annex A.

Purpose of the Proposed Rulemaking

Subsidized child care is a benefit made available through limited Federal and State funds. The current subsidized child care regulations in Chapter 3041 provide the eligibility criteria a parent or caretaker must meet to obtain and maintain assistance with child care costs through the subsidized child care program. The regulations also set forth the procedures the eligibility agency shall follow in administering the subsidized child care program.

This proposed rulemaking proposes to rescind and reserve Chapter 3041 and replace Chapter 3041 with Chapter 3042.

This proposed rulemaking is needed to address the requirements set forth in the Federal Child Care and Development Block Grant of 2014 (CCDBG) (42 U.S.C.A. §§ 9857—9858r, as reauthorized by Pub.L. No. 113-186). The CCDBG, along with section 418 of the Social Security Act (42 U.S.C.A. § 618), authorizes the Child Care and Development Fund (CCDF). The CCDF is the primary Federal funding source devoted to assisting low-income families that are working or participating in education or training activities with paying for child care and improving the quality of child care for all children.

This proposed rulemaking is needed to ensure the Commonwealth's compliance with the CCDBG, which provides more than \$197 million in funding to support child care services in this Commonwealth. The original CCDBG authorized in 1996 included the first mandates for child care in the United States. The CCDBG provides assistance to low-income families by making funds available to child care providers that provide services to these families, establishing baseline health and safety protections for child care providers that receive funds, and requiring states to use a portion of the funds to improve the quality of child care services. The Congressional reauthorization of the CCDBG made clear the importance of continuity of child care in supporting a parent's or caretaker's ability to achieve financial stability and a child's ability to develop a nurturing relationship with the child's child care provider, which creates the foundation for a high-quality early learning experience.

Background

The Department has worked with child development and community service advocates, child care providers, eligibility agencies and other interested stakeholders in drafting this proposed rulemaking. The Department has also worked with the Federal Office of Child Care (OCC), Administration for Children and Families (ACF), Department of Health and Human Services (HHS) to understand the Federal requirements, as well as to obtain clarification about and ensure compliance with the CCDBG.

Requirements

This proposed rulemaking will comply with the Federal requirements set forth in the CCDBG and help low-income families more easily obtain affordable, accessible and high-quality child care. Compliance with the CCDBG will also allow the Commonwealth maximum flexibility in developing child care policies that best meet the needs of children and their families in this Commonwealth.

Section 658E(c)(2)(N)(i) of the CCDBG (42 U.S.C.A. § 9858c(c)(2)(N)(i)) requires extending children's eligibility for child care to a minimum of 12 months, regardless of temporary changes in participation in work, training or education. This requirement will enable parents to maintain employment or complete education programs, and supports both family financial stability and the relationship between children and their child care providers. A parent or caretaker will not need to report a loss of work or a decrease in work hours between 12-month redetermination periods. Subsidized child care eligibility and payment will continue for the full 12-month eligibility period.

Between eligibility redeterminations, a parent or caretaker will only be required to report when the family's annual income exceeds 85% of the State Median Income (SMI) (45 CFR 98.20(a)(2)(i) and (ii) (relating to a child's

eligibility for child care services)). A parent or caretaker will now only be required to report: a loss or decrease in hours of work, education or training; a change in the number of days or hours during which the child needs care; or a change in family size and composition at redetermination. Continuity and stability of child care contributes to improved job stability and is important to a family's financial health. Family economic stability is undermined by policies that result in unnecessary disruptions to receipt of affordable child care in the form of a subsidy. Removing policies that present administrative barriers and make it difficult for parents and caretakers to maintain their eligibility and thus fully benefit from the support subsidy offers is important.

The Department intends to create a child care system that not only supports families in their efforts to achieve and maintain financial self-sufficiency, but also promotes the healthy development of children. Continuity of care is of vital importance to the healthy development of young children. Disruptions in care can stunt or delay socio-emotional and cognitive development in children. Safe, stable environments allow young children the opportunity to develop the relationships and trust necessary to comfortably explore and learn from their surroundings. Research has demonstrated a relationship between child care stability and social competence, behavior outcomes, cognitive outcomes, language development, school adjustment and overall child well-being. Adams, G. and Rohacek, M. (2010). "Child Care Instability: Definitions, Context, and Policy Implications." *The Urban Institute*, page 6. Retrieved from <https://www.urban.org/research/publication/child-care-instability-definitions-context-and-policy-implications>.

According to the Economic Report of The President (March 2014), investments in early childhood development will reap economic benefits now and in the future. Immediate benefits include increased parental earnings and employment. Future benefits come when children who experience high-quality early care and education opportunities are prepared for success in school and go on to earn higher wages as adults.

A cost-savings study conducted by the Department of Education's Pennsylvania Build Initiative: The Cost Savings to Special Education (October 2005), concluded that if high-quality early care and education were made available to all children in this Commonwealth, the number of students requiring special education services would be reduced by 2,380, saving taxpayers in this Commonwealth between \$68 and \$102 million over the course of the children's Kindergarten through 12th grade education. According to the study, for every \$1 invested, the Department of Education will save \$0.16 to \$0.31 elsewhere in the school system, which could prevent as many as 1,700 children from committing crimes when they grow up. Additional future tax savings are possible because children who are better educated are likely to earn higher income as adults, likely to be healthier, pay more taxes and less likely to require public assistance.

In addition to making changes to the regulation as required by the CCDBG, the Department is proposing other changes to better ensure child care continuity and stability of care. The eligibility agency will continue child care eligibility and payment until the end of the child's 12-month eligibility period when a child's parent or caretaker loses employment, education or training, whether the loss is temporary or permanent. At initial and ongoing eligibility determinations, the parent or caretaker must work a minimum of 20 hours per week,

or work a minimum of 10 hours combined with a minimum of 10 hours of training per week. If a parent or caretaker experiences a loss of work, education or training between 12-month eligibility redeterminations, section 658E(c)(2)(N) of the CCDBG offers the Commonwealth some options.

States may discontinue subsidy due to a parent's or caretaker's loss of work, education or training that is not considered temporary, as long as the eligibility agency continues subsidy for a minimum 3-month period. The OCC has interpreted "temporary" to be, at minimum: (1) any time-limited absence from work; (2) any interruption in work for a seasonal employee; (3) any student or holiday break in a parent's or caretaker's education and training schedule; (4) a reduction in hours of work, education or training; or (5) any other cessation of work, education or training that does not exceed 3 months or a longer period of time determined by the Commonwealth (45 CFR 98.21(a)(1)(ii) (relating to eligibility determination processes)). This definition is in line with Congressional intent to stabilize assistance for working families as part of two-generational strategies. Two-generational strategies focus on creating opportunities for and addressing needs of both vulnerable children and their parents simultaneously, so the family can succeed together. Connecting low-income families with early care and education, in addition to opportunities to achieve financial stability, may help break the cycle of poverty.

States must consider all changes on this list to be temporary, but are not limited by this definition and may consider additional changes to be temporary, including longer periods of time for eligibility (45 CFR 98.21(a)(2)). Many low-income families likely do not have a consistent work history pattern, but many are also managing more than one job and experience significant fluctuations in schedules and work history. The Department originally contemplated the option of discontinuing child care if the parent did not find new employment, education or training within the 3-month period. However, a review for the period December 2015 through December 2016 showed that child care was discontinued for about 300 families, or 1% of all families being provided services in the program, each month because the parent or caretaker did not find new employment or training within the 3-month period.

The level of effort needed to track work history, job-search activity and the system changes needed to support it are not commensurate with the 1% of families affected by this requirement. Additionally, many of these families eventually returned to the program through new employment obtained after the 3-month period, or through receipt of Temporary Assistance for Needy Families (TANF) benefits. This change has the net effect of providing families the remainder of their 12-month eligibility period so the parent or caretaker may find other work that meets the requirement. Continuation of child care for the full 12-month eligibility period best meets the needs of the family during difficult times and provides stability for the child.

The Department also proposes changes that will allow an increased ability to align child care eligibility periods with other programs serving low-income children, such as Head Start and Early Head Start. Aligning these programs will allow the eligibility agency to continue child care payment for the child through the completion of the child's Head Start or Early Head Start program.

Additional proposed changes include provisions to allow a period of presumptive eligibility for a parent or caretaker experiencing homelessness. This period of presump-

tive eligibility will provide a parent or caretaker experiencing homelessness additional time to submit verification and secure work, education or training.

Historically, families cycle in and out of the subsidized child care program. Parents or caretakers find jobs, then lose jobs, resulting in loss of eligibility and subsidy. Children leave their early care and education program only to need early care and education again in a few months and be placed on a waiting list until funds become available. This cycling in and out is disruptive to a child's ability to learn and to a parent's or caretaker's ability to work and is not an effective use of taxpayer dollars. Stability of child care arrangements can affect children's healthy development, especially for vulnerable children who may be at special risk of poor developmental outcomes. Adams, G. and Rohacek, M. (2010). "Child Care Instability: Definitions, Context, and Policy Implications." *The Urban Institute*, page 6. Retrieved from <https://www.urban.org/research/publication/child-care-instability-definitions-context-and-policy-implications>.

New CCDBG Requirements

This proposed rulemaking will stabilize a parent's or caretaker's access to child care subsidy and, in turn, help stabilize the parent's or caretaker's employment or education, and the child's care arrangement. Section 658E(c)(2)(E) of the CCDBG expanded requirements for the content of consumer education available to parents receiving CCDF assistance, the public and where applicable, child care providers. By adding child care providers, Congress recognized the positive role trusted providers could play in communicating and collaborating with parents on a daily basis regarding their children's development.

This proposed rulemaking has the potential to stabilize the revenue of child care providers that receive subsidy payments, as they experience more predictable and reliable payments for services. Strengthening the stability of providers providing services to children is important. Provider instability can lead to instability in a parent's or caretaker's employment, which is an outcome that undercuts a core principle of the CCDBG to ensure children have access to child care that is comparable to the care available to unsubsidized families.

These requirements facilitate a two-generation approach that supports work, education and training for parents or caretakers, as well as access to high-quality, coordinated early care and education services for the children. This approach will maximize a parent's or caretaker's options; support a parent or caretaker in finding and maintaining employment; improve the development of participating children; and increase the number and percentage of low-income children participating in high-quality child care settings.

This proposed rulemaking also substantially reorganizes the existing subsidized child care chapter to meet the requirements of the CCDBG. Therefore, the Department proposes a new chapter to replace the existing regulations. In addition, simplification of regulatory language will make the eligibility process easier to understand. Proposed Chapter 3042 replaces Chapter 3041 in its entirety.

Following is a summary of the major proposed amendments required by the CCDBG:

§§ 3042.1—3042.4 *General provisions*

This proposed rulemaking complies with the CCDBG statute and regulation in section 658E(c)(2)(N)(i) and

45 CFR 98.14(a)(1) (relating to plan process) and 98.41(a)(1)(i)(C) (relating to health and safety requirements) by allowing a period of presumptive eligibility for a parent or caretaker experiencing homelessness. This proposed rulemaking defines “homelessness,” as well as a “period of presumptive eligibility.” “Homelessness” refers to an individual who lacks a fixed, regular and adequate nighttime residence as set forth in section 725(2) of the McKinney-Vento Homeless Assistance Act (42 U.S.C.A. § 11434a(2)). A “period of presumptive eligibility” means a temporary period not to exceed 92 calendar days, during which a family is eligible for subsidized child care under certain conditions. During the 92-day period of presumptive eligibility, a parent or caretaker in a family that is experiencing homelessness may substitute job search activities to meet the work requirement at the time of application or redetermination.

This proposed rulemaking includes procedures the eligibility agency must follow when granting a period of presumptive eligibility, which are discussed in further detail under §§ 3042.141—3042.147.

This proposed rulemaking defines “SMI” and ensures that a family shall remain eligible for subsidized child care following the initial determination of eligibility as long as the family’s annual income does not exceed 85% of the SMI, as required by the CCDBG regulation (45 CFR 98.20(a)(2)(i)). In addition, this proposed rulemaking ensures the family’s income shall not exceed 235% of the Federal Poverty Income Guidelines (FPIG) or 85% of the SMI at the time of the redetermination.

§§ 3042.11—3042.21 *General benefits*

This proposed rulemaking expands eligibility for a child who turns 13 years of age before the expiration of the child’s 12-month eligibility period, as required by the CCDBG regulation (45 CFR 98.21(a)(1)(ii)(F)). The CCDBG requires the eligibility agency to complete a redetermination of a child’s eligibility for child care services no sooner than 12 months following the initial determination or most recent redetermination. This proposed rulemaking complies with the CCDBG by assuring the child will remain eligible for the full 12-month eligibility period, unless the family’s annual income exceeds 85% of the SMI (45 CFR 98.20(a)(2)(i) and (ii)).

This proposed rulemaking restricts the types of child care providers that may receive payment to comply with section 658E(c)(2)(K)(i)(IV) of the CCDBG. The CCDBG requires licensing inspectors or qualified inspectors designated by the Department to perform an annual inspection of each provider in the state receiving payment under the CCDF, unless the provider is a relative. Section 658P(6)(B) of the CCDBG (42 U.S.C.A. § 9858n(6)(B)), however, defines a relative provider as being exempt from the inspection requirement.

All other providers receiving funding are certified child care providers subject to health and safety requirements, including the annual inspection. Congress established minimum health and safety standards, including mandatory criminal background checks, at least annual monitoring of child care providers, and health and safety training. Children in CCDF-funded child care will now receive care from providers certified by the Department and that have had basic training in health and safety practices and child development.

This proposed rulemaking attempts to bring a basic level of safety to all children whose care is supported with taxpayer funds. Health and safety is a necessary foundation for care that supports early learning and develop-

ment. It is critical that the support that the child care subsidized families receive is of sufficient quality. This proposed rulemaking supports this goal of ensuring quality of care by requiring that providers providing CCDF-funded services to children have background checks, receive basic training in health and safety and are monitored on a regular basis.

In addition, this proposed rulemaking restricts when the Department’s grantee may enroll additional children with a child care provider when the Department determines the provider is not meeting health and safety requirements and revokes or refuses to renew the provider’s certificate of compliance.

This proposed rulemaking allows continuity of care for the remainder of a child’s required 12-month eligibility period during a break in or following the loss of work, education or training, as required by the CCDBG regulation (45 CFR 98.21(a)(1)). The intent is to stabilize assistance for families through changes in circumstance, which allows a parent or caretaker time to resume work or attendance at a job training or educational activity.

Continuity of care will provide some measure of stability in instances where parents or caretakers, despite their best efforts, cycle in and out of employment. In these instances, when the home life may be in flux, a level of stability in the child’s care arrangement becomes that much more valuable. Instability in the child’s care arrangement further disrupts the parent’s or caretaker’s employment and education, harms children and runs counter to nearly all the purposes of the CCDBG regulation (45 CFR 98.1 (relating to purposes)). In addition, this proposed rulemaking allows continuity of care for the remainder of a child’s required 12-month eligibility period when there is a change in the child’s primary parent or caretaker, so long as the family’s annual income does not exceed 85% of the SMI.

This ensures continuity of care for children experiencing the trauma of a parent or caretaker leaving the home for reasons including death, inpatient treatment, incarceration or military deployment (45 CFR 98.1(b)(7)). The CCDBG regulation prohibits the Department from acting on information between 12-month redetermination periods that would reduce the family’s subsidy unless the information provided indicates the family’s income exceeds 85% of SMI (45 CFR 98.20(a)(2) and 98.21(e)(4)(ii)).

This proposed rulemaking also ensures continuity of care by expanding the reasons a parent or caretaker may request a child’s subsidy be suspended, rather than terminated by the eligibility agency. For example, a child’s subsidy may be suspended when the child does not need care for more than 5 consecutive days, but will return to care within the minimum 12-month eligibility period required by the CCDBG statute and regulation (42 U.S.C.A. § 9858c(c)(2)(N)(i) and 45 CFR 98.20(a) and (b)(4)).

In addition, this proposed rulemaking removes the restriction on the number of days during which the eligibility agency may suspend the child’s subsidy. This proposed rulemaking permits the eligibility agency to suspend subsidy for as long as needed. The eligibility agency can end the child’s eligibility before the expiration of the child’s 12-month eligibility period if the parent indicates there is no longer a need for care as permitted by the CCDBG regulation (45 CFR 98.21(a)(5)).

Despite the requirement to provide a minimum 12-month eligibility period following the initial determi-

nation of eligibility, the CCDBG does not require the parent or caretaker to continue receiving services nor does it force the child to remain with a provider if the parent or caretaker no longer chooses to receive such services. By allowing the eligibility agency to suspend care for a period up to the family's redetermination due date, the Department will not be obligated to pay for care that is not being used. Suspending care and not paying the provider permits the Department to use funds to provide subsidized child care to children on the waiting list.

This proposed rulemaking expands the total number of paid absences in a State fiscal year from 25 days to 40 days. After the child has been absent for 40 days, the child remains eligible, but the parent or caretaker is responsible to pay to the child care provider the provider's verified published daily rate for each day of absence starting with the 41st day of absence. The eligibility agency resets the number of absences accrued for each child to coincide with the beginning of the State fiscal year. This supports the intent of the CCDBG regulation to delink payment for child care from a child's occasional absences. See 45 CFR 98.45(1)(2)(iv) (relating to equal access). This proposed rulemaking allows the Department to address concerns from families receiving subsidy around absences for children with verified, significant illnesses, injuries and impairments.

This proposed rulemaking aligns payment practices for subsidized child care with those for other early care and education programs such as Pennsylvania PreK Counts, and provides child care providers greater financial stability. This proposed rulemaking aligns the number of paid absence days more closely with the number of paid absence days provided by other states and territories in the region; those range from 44 per year in Virginia to 240 in the District of Columbia. This proposed rulemaking follows the CCDBG that requires the eligibility agency to make multiple attempts to contact families and providers to determine a continued need for child care when the child has excessive unexplained absences (45 CFR 98.21(a)(5)). The eligibility agency may adjust the child's schedule based on the parent's or caretaker's request.

§§ 3042.31—3042.37 *Eligibility requirements*

This proposed rulemaking ensures that a family shall remain eligible for subsidized child care following the initial determination of eligibility as long as the family's annual income does not exceed 85% of the SMI as required by the CCDBG regulation (45 CFR 98.20(a)(2)). In addition, this proposed rulemaking ensures the family's income shall not exceed 235% of the Federal Poverty Income Guidelines (FPIG) or 85% of the SMI at the time of the redetermination (45 CFR 98.21(b)).

This proposed rulemaking permits a single parent or caretaker who experiences the onset of a disability following application to maintain eligibility for the remainder of the 12-month eligibility period as required by the CCDBG regulation (45 CFR 98.14(a)(1)). During the remainder of the minimum 12-month eligibility period, the CCDBG permits the eligibility agency to excuse the parent or caretaker from the work, education and training requirements until the family's 12-month eligibility period expires and the eligibility agency completes the family's annual redetermination (45 CFR 98.21(a)(1)).

§§ 3042.51—3042.57 *Eligibility determination*

As required by the CCDBG statute and regulation under section 658E(c)(2)(N)(i)(I) and 45 CFR 98.20(a)(2)),

this proposed rulemaking requires a parent or caretaker to notify the eligibility agency when the family's annual income exceeds 85% of the SMI.

§§ 3042.61—3042.74 *Self-certification and verification*

The eligibility agency will collect only the verification that is necessary to make an eligibility determination. To comply with the CCDBG regulation (45 CFR 98.20(a)(2)), a parent or caretaker will be required to submit verification during the family's 12-month eligibility period only when the family's annual income exceeds 85% of the SMI. Therefore, this proposed rulemaking reduces verification requirements for families and prevents unnecessary subsidy eligibility loss.

§§ 3042.81—3042.88 *Eligibility agency responsibilities*

As required by the CCDBG regulation (45 CFR 98.21(e)(4)), this proposed rulemaking allows the eligibility agency to act on any change reported by a parent or caretaker that benefits the family. A parent or caretaker has the option of reporting information on an ongoing basis, particularly information that would be beneficial to assistance, such as an increase in work hours that necessitates additional child care hours or a loss of earnings that could result in a reduction of the family co-payment. A parent's or caretaker's ability to report changes in circumstances will not be restricted, particularly in cases where a parent or caretaker may have entered into more stressful or vulnerable situations, or would be eligible for additional child care assistance.

Although the eligibility agency must act on reported changes between 12-month eligibility redeterminations if it would increase the family's benefit, the eligibility agency may not act on reported changes that would reduce the family's benefit, with the following exceptions:

- The family's income exceeds 85% of the SMI.
- The family moves out-of-State.
- The parent voluntarily requests discontinuance of service.
- The parent commits substantiated fraud or intentional program violations.
- The child has excessive, unexplained absences. The agency must make multiple attempts to contact the family and provider prior to terminating services.

These provisions comply with the Federal HHS recommendation to eliminate or reduce policies that result in unnecessary disruptions to receipt of a subsidy and make it difficult for parents and caretakers to maintain their eligibility. See Final Rule on CCDF Program Final Rule at 81 FR 67438, 67445 (September 30, 2016).

§§ 3042.101 and 3042.102 *Eligibility redetermination*

This proposed rulemaking requires the eligibility agency to complete a redetermination of eligibility no sooner than every 12 months as required by the CCDBG regulation (45 CFR 98.21(a)). At redetermination, families must meet all eligibility requirements with the exception of the circumstances under which the eligibility agency permits a period of presumptive eligibility. Income limits may not exceed 235% of the FPIG or 85% of the SMI.

As required by the CCDBG regulation (45 CFR 98.21(b)(1)), the Department must allow a phase-out period when income increases above initial eligibility limits. The Commonwealth provides this phase-out period by allowing families to enter the program at 200% or less of the FPIG and remain eligible up to 235% of the FPIG,

which allows parents and caretakers to accept raises or higher paying positions without immediately losing child care benefits.

§§ 3042.111—3042.122 *Former TANF families*

As required by the CCDBG regulation (45 CFR 98.14(a)(1)), this proposed rulemaking allows continuity of care for a former TANF family during the required 12-month eligibility period so long as the family's annual income does not exceed 85% of the SMI. Former TANF families have up to 183 calendar days following the date TANF benefits end to contact the eligibility agency for assistance with their child care costs. This proposed rulemaking will eliminate the need for the eligibility agency to complete an eligibility redetermination on the 184th day following the date TANF benefits ended. In addition, this proposed rulemaking ensures a former TANF family is not eligible if a parent or caretaker is disqualified from receiving TANF benefits as specified in §§ 255.1(c) and 275.51 (relating to restitution and disqualification policy; and imposing the disqualification).

The CCDBG regulation (45 CFR 98.21(a)(5)(A)(iii)) allows for the discontinuance of child care when there is substantiated fraud or an intentional program violation by a parent or caretaker that invalidates prior determinations of eligibility. It is important to ensure the Department uses CCDF funds effectively and efficiently targets the use of CCDF funds towards eligible low-income families.

§§ 3042.141—3042.147 *Waivers and periods of presumptive eligibility*

This proposed rulemaking complies with the CCDBG regulation (45 CFR 98.14(a)(1) and 98.41(a)(1)(i)(C)) by allowing a period of presumptive eligibility for a parent or caretaker experiencing homelessness. In addition, this proposed rulemaking allows a parent or caretaker who is experiencing homelessness to request a waiver of certain eligibility and verification requirements. This proposed rulemaking permits additional time to acquire documents that demonstrate eligibility, which allows a child experiencing homelessness to receive subsidy while allowing the child's parent or caretaker reasonable time to comply with immunization and other health and safety requirements.

The Department appreciates the extra assistance and support that may be necessary to help families experiencing homelessness to stabilize their living situations. This proposed rulemaking allows a parent or caretaker experiencing homelessness to substitute job search activities to meet work requirements for up to 92 calendar days from the date of application or redetermination. This proposed rulemaking also allows the eligibility agency to grant a period of presumptive eligibility at application or redetermination for a parent or caretaker who is experiencing homelessness.

The eligibility agency will ensure the parent or caretaker meets all eligibility requirements upon expiration of the period of presumptive eligibility. Upon expiration of the period of presumptive eligibility, the eligibility agency will complete a full redetermination to establish the 12-month eligibility period and reset the redetermination due date.

Additional Changes Proposed by the Department

This proposed rulemaking reduces reporting requirements, as permitted by the CCDBG, and allows additional options for a parent or caretaker when submitting acceptable eligibility verification. This proposed rulemaking will make it easier to coordinate child care

services with other programs serving low-income children, such as Head Start and Early Head Start. This coordination of care complies with the Federal HHS recommendation to promote stability of child care programs and allow for greater alignment between child care services, Head Start and Early Head Start for families in poverty that rely on child care subsidy to participate in work, education or training. See Child Care and Development Fund (CCDF) Program Final Rule at 81 FR 67438, 67450 (September 30, 2016).

Following is a summary of the major proposed revisions in addition to the Federal requirements. Some of the revisions are based on the intent of the CCDBG, while the remainder of the revisions clarify and support the subsidized child care program.

§§ 3042.1—3042.4 *General provisions*

This proposed rulemaking expands the definition of "caretaker who does not need legal custody of the child" and includes the child's great-grandparent and sibling who is 18 years of age or older. These individuals may be considered having care and control of the child without having a court order awarding them legal custody of the child. The current regulation limits individuals who can have care and control of the child without a court order to grandparents, aunts and uncles. Including these additional individuals aligns with the CCDBG definition of "relatives." This proposed rulemaking permits close family members to care for children without incurring additional expenses, such as legal and court fees.

This proposed rulemaking expands the definition of "education" to include charter schools, cyber schools and any other program approved by the school district or the Department of Education. The current regulation allows only for elementary school, middle school, junior high or a high school program including a general educational development program.

This proposed rulemaking defines "Head Start" and "Early Head Start." "Early Head Start" means a program that serves families with at-risk children from birth to 3 years of age. "Head Start" means a program designed to prepare at-risk children, 3 years of age or older but under 5 years of age, for school success. These definitions are critical to identifying the children who may qualify for subsidy under a special eligibility program.

This proposed rulemaking defines "owner or operator of a child care facility" as the legal entity or individual that owns the facility, or the legal entity or a person designated by the legal entity to serve as the facility director.

This proposed rulemaking allows a 92-day period of presumptive eligibility at redetermination for a family with a parent or caretaker who is on leave approved by the Department and who has verified work, education or training that will begin within 92 calendar days of the redetermination date. For example, a parent or caretaker who is on maternity leave or temporary disability leave at the time the family's redetermination is due will need to verify that the parent's or caretaker's work, education or training meets the work-hour requirement within 92 calendar days from the family's redetermination date.

This proposed rulemaking redefines self-employment as operating one's own business, trade or profession for profit. While earning a profit is required, this change removes the mandate that a parent or caretaker make a profit greater than or equal to the hourly State minimum wage. This ensures that a self-employed parent or caretaker shall meet the same income limits as a parent or caretaker who is not self-employed. At the time of initial

application and redetermination of eligibility, a family that includes a self-employed parent or caretaker is ineligible if the family's annual income exceeds 200% of the FPIG or 85% of the SMI, whichever is lesser. In between redetermination periods, a family that includes a self-employed parent or caretaker is ineligible if the family's annual income exceeds 85% of the SMI.

This proposed rulemaking defines "tiered-reimbursement" as an amount the Department sets and adds to a provider's payment rate if the provider meets additional quality standards.

§§ 3042.11—3042.21 *General benefits*

This proposed rulemaking expands the hours of uninterrupted sleep time during which a parent or caretaker is eligible for subsidized child care. This change will permit payment of subsidy when the parent or caretaker requires sleep time following the end of an overnight work shift and does not place limitations on the time the work shift must end. This change supports the needs of the child whose parent or caretaker works at night and must sleep after the work shift ends to be a productive caregiver and worker on the following day.

The Federal HHS encourages states to increase the quality of child care providers and set rates that consider the additional costs of higher-quality child care. See Child Care and Development Fund (CCDF) Program Final Rule at 81 FR 67438, 67440 (September 30, 2016). This proposed rulemaking permits the Department to direct and prioritize funding to child care providers that meet additional quality standards. The amount of the tiered-reimbursement is based on the level of quality the provider maintains and the amount of time the child receives care from the provider in a day. The Department provides tiered-reimbursement based on the availability of funding; therefore, the amount and availability of tiered-reimbursement is subject to change. Tiered-reimbursement, based on the Keystone STARS rating, recognizes providers that are Keystone STARS-certified and promotes continuous quality improvements in early care and education environments. This funding change includes paying tiered-reimbursement based on a child care provider's quality rating or, as recommended by the CCDBG, entering into contracted slots based on the child care provider's quality rating. See 42 U.S.C.A. § 9858e(b) and 45 CFR 98.53.

This proposed rulemaking restricts retroactive payment for child care to 30 calendar days, with the exception of former TANF families as specified in § 3042.119 (relating to retroactive payment for former TANF families). Former TANF families have up to 183 calendar days following the date TANF benefits end to contact the eligibility agency for assistance with their child care costs. This restriction allows the Department to better utilize funds for low-income families that have not received TANF benefits and are ready to enroll their children.

The CCDBG statute and regulation under section 658E(c)(2)(A)—(M) and 45 CFR 98.30 and 98.53, mandate quality child care settings. In the general comments section of the Federal implementing regulation, the ACF indicated that it can no longer "in good conscience" use Federal taxpayer dollars to support sub-standard child care for our nation's most vulnerable and disadvantaged children. See 81 FR 67438, 67446 (September 30, 2016). In response to this comment, this proposed rulemaking prohibits new enrollments of children receiving subsidy when the Department determines the provider is not meeting health and safety requirements, and revokes or

refuses to renew the provider's certificate of compliance. Private-pay parents and caretakers may decide to continue paying such providers; however, the Department intends to limit public funding to providers that are currently certified by the Department, but do not meet basic health and safety requirements. To provide continued stability and support already established staff and child relationships, the Department will continue to pay for children who are currently enrolled at the time of the sanction.

This proposed rulemaking provides low-income families the same rights as other families by permitting the parent or caretaker the opportunity to decide if a child is ready to start kindergarten. This allows a parent or caretaker to hold a child back from attending kindergarten for 1 year and continue to receive full subsidy payments. The current regulation requires a parent or caretaker who is receiving subsidy to enroll the child in kindergarten, if available, if the child will be 5 years of age before September 1 of the upcoming school year.

This proposed rulemaking permits families to postpone enrollment for more than 30 calendar days if the child does not immediately need care when funding becomes available. Historically, there have been a variety of circumstances in which a child may not immediately need care when funding becomes available and the current regulation resulted in ineligibility. Families experiencing these types of circumstances would be forced to reapply for services and the child would be subject once again to the waiting list. For example, if funding becomes available during the school year for a school-aged child who needs care only during the summer months, the parent or caretaker may postpone the enrollment and that child may remain eligible while in suspended status until the child needs care.

This proposed rulemaking allows a child to remain eligible for subsidy when the child is absent for more than 5 consecutive days; however, this proposed rulemaking also prohibits payment until the child returns to care following the absences. The eligibility agency will suspend payment when a child is absent for more than 5 consecutive days. This change will allow a child who is frequently absent due to illness or other reasons to maintain eligibility. Under the current regulation, the child would become ineligible after 5 consecutive absences, the parent or caretaker would be required to reapply for services and the child would be subject once again to the waiting list.

This proposed rulemaking expands the total number of paid absences in a State fiscal year from 25 days to 40 days. After the child has been absent for 40 days, the child remains eligible but the parent or caretaker is responsible to pay to the child care provider the provider's verified published daily rate for each day of absence starting with the 41st day of absence. The eligibility agency resets the number of absences accrued for each child to coincide with the beginning of the State fiscal year. This supports the intent of the CCDBG regulation to delink payment for child care from a child's occasional absences. See 45 CFR 98.45(l)(2)(iv). This proposed rulemaking allows the Department to address concerns from families receiving subsidy around absences for children with verified, significant illnesses, injuries and impairments. This proposed rulemaking follows the CCDBG that the eligibility agency shall make multiple attempts to contact families and providers to determine a continued need for child care when the child has excessive

unexplained absences. The eligibility agency may adjust the child's schedule based on the parent's or caretaker's request.

§§ 3042.51—3042.57 *Eligibility determination*

This proposed rulemaking permits the eligibility agency to substitute a telephone contact for a face-to-face meeting if the eligibility agency cannot schedule a face-to-face meeting without the parent or caretaker experiencing a hardship. The current regulation only provides this provision for former TANF families. In addition, this proposed rulemaking permits the eligibility agency to waive the face-to-face meeting if the parent or caretaker has completed a face-to-face meeting within the past 12 months.

§§ 3042.61—3042.74 *Self-certification and verification*

This proposed rulemaking allows additional opportunities for a parent or caretaker to self-certify information that is not likely to change within the 12-month eligibility period, such as the inclusion of an adult child in the family composition, and the days and hours for which the child needs care. The current regulation restricts the ability to self-certify the days and hours for which the child needs care to those parents or caretakers that have previously received TANF benefits.

This proposed rulemaking allows for additional options for a parent or caretaker when submitting acceptable eligibility verification. The CCDBG regulation (45 CFR 98.21(e)(2)) provides that the eligibility agency only asks for information that has changed and not require a parent or caretaker to resubmit verification if it has been collected in the past (for example, children's birth certificates, parents' identification and the like) or is available from other electronic data sources (for example, verified data from other benefit programs).

This proposed rulemaking expands verification of income from self-employment to allow a parent or caretaker to complete the Department's self-employment verification form indicating gross earnings minus allowable costs of doing business, which shows a profit. In addition, this proposed rulemaking requires verification of foster child status from the local children and youth agency or other government or social service agency.

§§ 3042.91—3042.99 *Co-payment and payment by the Department*

This proposed rulemaking removes the requirement for a parent or caretaker to pay an equivalent advance co-payment to the child care provider when the eligibility agency enrolls a child in care. The current regulation establishes a barrier to a parent or caretaker who is attempting to become more self-sufficient. The requirement is also difficult for the eligibility agency to enforce. Payment of an advanced co-payment is an issue between the parent or caretaker and the child care provider, and should not affect a family's eligibility for subsidy.

§§ 3042.111—3042.122 *Former TANF families*

This proposed rulemaking deletes the requirement for a parent or caretaker who previously received TANF benefits to pay an equivalent advance co-payment to the child care provider when the eligibility agency enrolls a child in care. As discussed in the previous section, the current regulation also establishes the same barrier to a parent or caretaker who is transitioning off TANF benefits and attempting to become more self-sufficient. Children whose parents or caretakers have received TANF benefits and are transitioning off those benefits are some of this State's most at-risk children. Many former TANF parents or caretakers are transitioning off TANF benefits

because the parents or caretakers found employment and the family's income exceeds TANF income limits. These families are already facing an adjustment to paying a co-payment toward their child care costs. To establish an additional barrier of requiring these families to pay an equivalent advance co-payment is unnecessary.

Requirements Maintained from the Current Regulation

This proposed rulemaking maintains the language and requirements of the current regulation with regard to the following sections:

(1) Sections 3042.141—3042.147 apply to individuals experiencing domestic violence.

(2) Sections 3042.151—3042.159 apply to notification and right to appeal.

(3) Sections 3042.161—3042.166 apply to appeal and hearing procedures.

(4) Sections 3042.171—3042.179 apply to overpayment and disqualification.

Affected Individuals and Organizations

This proposed rulemaking affects children who receive subsidized child care, parents and caretakers who apply for or receive subsidy, child care providers and eligibility agencies. Children and their parents or caretakers are affected by the requirements in this proposed rulemaking that specify the eligibility conditions, reporting requirements and verification requirements that they must meet to access subsidized child care. The longer, stabilized 12-month eligibility periods may, however, increase the number of children on the waiting list.

This proposed rulemaking may decrease the workload of the eligibility agencies, allowing more time for eligibility agencies to help families find child care and provide information about a parent's or caretaker's options regarding quality child care. Eligibility agencies will also be able to refer families to services that encompass the total family's needs, such as providing referrals to Medical Assistance, the Children's Health Insurance Program, Women, Infants and Children Program, and Early Intervention Services.

This proposed rulemaking affects child care providers because there are changes to the eligibility conditions for families currently provided services or that may be provided services in the future. In addition, children will remain eligible for a full 12-month eligibility period, so child care providers may experience stability in the monthly child care payment received from the Department for subsidized child care services. Providers that receive CCDF funds may also experience more predictable and reliable payments for services.

Accomplishments and Benefits

This proposed rulemaking benefits children and low-income families by allowing easier access to affordable, high-quality child care. This proposed rulemaking allows more families to be eligible for subsidized child care benefits for longer periods, and complies with the CCDBG, which requires a minimum 12-month eligibility period. This change will allow a family to remain eligible for an entire year before having to provide verification to establish continued eligibility, thus allowing for continuity and stability of care.

This proposed rulemaking further benefits children by providing stabilized, high-quality, learning environments that result in better outcomes for children, increase school readiness and provide steady, nurturing relationships for children for significant periods. This proposed rulemaking will provide support to a low-income parent

or caretaker who is working or looking for work by reducing unnecessary verifications.

This proposed rulemaking benefits child care providers by allowing stable, predictable income from the subsidized child care program. For every dollar the Commonwealth invests in early care and education, more than \$2 circulates throughout local economies through employment and purchasing of goods and services. Likewise, for every ten jobs created in the State's early care and education sector, three jobs are created outside that sector.

Fiscal Impact

The Department does not anticipate this proposed rulemaking will result in additional cost to the Commonwealth, local governments, the parents and caretakers receiving subsidized child care, the child care providers or the eligibility agencies.

Paperwork Requirements

This proposed rulemaking will result in reduced paperwork and recordkeeping for a parent or caretaker and the eligibility agency. A parent or caretaker will only be required to complete an eligibility redetermination every 12 months, instead of every 6 months. This proposed rulemaking also reduces reporting requirements for a parent or caretaker during the family's 12-month eligibility period; therefore, the need for a parent or caretaker to provide verification to the eligibility agency may also decrease.

Reduced reporting and paperwork requirements will remove unnecessary tracking of a parent's or caretaker's status by the eligibility agency. The reduction in paperwork and tracking may allow more funding for direct services and will provide stability and continuity in the program. Policies that result in unnecessary disruptions to receipt of a subsidy, or other administrative processes that make it difficult for parents to maintain their eligibility and thus fully benefit from the support it offers, undermine family economic stability.

Effective Date

This proposed rulemaking is effective 30 calendar days after final-form publication in the *Pennsylvania Bulletin*.

Public Comment

Interested persons may submit written comments, suggestions or objections regarding this proposed rulemaking to Jessica Sands, Department of Human Services, Office of Child Development and Early Learning, 333 Market Street, Harrisburg, PA 17011, jsands@pa.gov, within 30 calendar days after the date of publication of this proposed rulemaking in the *Pennsylvania Bulletin*. Reference Regulation No. 14-545 when submitting comments. Persons with a disability who require an auxiliary aid or service may submit comments by using the Pennsylvania AT&T Relay Service at (800) 654-5984 (TDD users) or (800) 654-5988 (voice users).

Regulatory Review

Under section 5(a) of the Regulatory Review Act (71 P.S. § 745.5(a)), on October 22, 2020, the Department submitted a copy of this proposed rulemaking and a copy of a Regulatory Analysis Form to the Independent Regulatory Review Commission (IRRC) and to the Chairpersons of the House Children and Youth Committee and the Senate Health and Human Services Committee. A copy of this form is available to the public upon request.

Under section 5(g) of the Regulatory Review Act, IRRC may convey comments, recommendations or objections to

the proposed rulemaking within 30 days of the close of the public comment period. The comments, recommendations or objections must specify the regulatory review criteria in section 5.2 of the Regulatory Review Act (71 P.S. § 745.5b) which have not been met. The Regulatory Review Act specifies detailed procedures for review prior to final publication of the rulemaking by the Department, the General Assembly and the Governor.

TERESA D. MILLER,
Secretary

Fiscal Note: 14-545. No fiscal impact; (8) recommends adoption.

Annex A

TITLE 55. HUMAN SERVICES

**PART V. CHILDREN, YOUTH AND FAMILIES
MANUAL**

Subpart B. ELIGIBILITY FOR SERVICES

Chapter 3041. [RESERVED]

- §§ 3041.1—3041.3. [Reserved].
- §§ 3041.11—3041.22. [Reserved].
- §§ 3041.31—3041.34. [Reserved].
- §§ 3041.41—3041.48. [Reserved].
- § 3041.51. [Reserved].
- § 3041.52. [Reserved].
- §§ 3041.61—3041.78. [Reserved].
- §§ 3041.81—3041.86. [Reserved].
- §§ 3041.91—3041.94. [Reserved].
- §§ 3041.101—3041.109. [Reserved].
- §§ 3041.121—3041.133. [Reserved].
- §§ 3041.141—3041.150. [Reserved].
- §§ 3041.161—3041.167. [Reserved].
- §§ 3041.171—3041.176. [Reserved].
- §§ 3041.181—3041.189. [Reserved].

(Editor's Note: The following Chapter is proposed to be added and printed in regular type to enhance readability.)

**CHAPTER 3042. SUBSIDIZED CHILD CARE
ELIGIBILITY**

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GENERAL PROVISIONS**§ 3042.1. Purpose.**

This chapter establishes the requirements for a family to receive subsidized child care. Subsidized child care is a nonentitlement benefit made available through limited Federal and State funds.

§ 3042.2. Scope.

This chapter applies to child care eligibility agencies, child care providers, and parents and caretakers requesting or receiving subsidized child care.

§ 3042.3. Definitions.

The following words and terms, when used in this chapter, have the following meanings, unless the context clearly indicates otherwise:

Adjusted family income—Gross countable family income, minus allowable deductions.

Annual income—The family's adjusted monthly income, multiplied by 12 months.

Appeal—A written or oral request by a parent, caretaker or individual acting on behalf of a parent or caretaker for a hearing under Chapter 275 (relating to appeal and fair hearing and administrative disqualification hearings), indicating disagreement with a Departmental or eligibility agency action or failure to act that affects the family's eligibility for subsidized child care.

Application—A signed, dated request by a parent, caretaker or individual acting on behalf of a parent or caretaker for subsidized child care.

CAO—County Assistance Office—The local office of the Department responsible for the determination of eligibility and service delivery in the Cash Assistance, Medical Assistance and Supplemental Nutrition Assistance Programs.

Caretaker—An individual who has legal custody of the child or any one of the following individuals who lives with and exercises care and control of the child:

- (i) A foster parent.
- (ii) A grandparent.
- (iii) A great-grandparent.
- (iv) An aunt.
- (v) An uncle.
- (vi) A sibling who is 18 years of age or older.

Child care—Care instead of parental care for part of a 24-hour day.

Collateral contact—A form of verification in which the eligibility agency obtains information from a third party.

Co-payment—The weekly amount the family pays for subsidized child care.

Department—The Department of Human Services of the Commonwealth.

Disability—A physical or mental impairment that precludes a parent or caretaker from participating in work, education or training.

Disqualification—The prohibition against receipt of subsidized child care that results from fraud or an intentional program violation.

Domestic and other violence (domestic violence)—Includes one of the following:

- (i) A physical act that results in, or threatens to result in, physical injury to the individual.
- (ii) Mental abuse, including stalking, threats to kidnap, kill or otherwise harm people or property, threats to commit suicide, repeated use of degrading or coercive language, controlling access to food or sleep, and controlling or withholding access to economic and social resources.
- (iii) Sexual abuse.
- (iv) Sexual activity involving a dependent child.
- (v) Being forced as the caretaker or relative of a dependent child to engage in nonconsensual sexual acts or activities.
- (vi) A threat of, or attempt at, physical or sexual abuse.
- (vii) Neglect or deprivation of medical care.

Education—An elementary school, middle school, junior high or high school program including a general educational development program, charter school, cyber school and any other program approved by the school district or the Department of Education.

Eligibility agency—The entity designated by the Department with authority to purchase subsidized child care and determine a family's eligibility and co-payment.

Eligibility determination—A decision regarding whether a family qualifies for the subsidized child care program and a determination of the co-payment.

Eligibility redetermination—An annual review by the eligibility agency to determine if a family continues to qualify for subsidized child care, including a review of the co-payment.

Employment—Working for another individual or entity for income.

FPIG—Federal Poverty Income Guidelines—The income levels published annually in the *Federal Register* by the United States Department of Health and Human Services.

Family—The child or children for whom subsidized child care is requested and the following individuals who live with that child or children in the same household:

- (i) A parent of the child.
- (ii) A caretaker and a caretaker's spouse.
- (iii) A biological, adoptive or foster child or stepchild of the parent or caretaker who is under 18 years of age and not emancipated by marriage or by the court.
- (iv) An unrelated child under the care and control of the parent or caretaker, who is under 18 years of age and not emancipated by marriage or by the court.

(v) A child who is 18 years of age or older but under 22 years of age who is enrolled in a high school, a general educational development program or a post-secondary program leading to a degree, diploma or certificate and who is wholly or partially dependent upon the income of the parent or caretaker or spouse of the parent or caretaker.

Fraud—The intentional act of a parent or caretaker, at the time of application or redetermination, that results in obtaining, continuing or increasing child care subsidy for which the family is not eligible and that involves any of the following:

- (i) A false or misleading statement.
- (ii) The failure to disclose information.

Head Start—Refers to Early Head Start or Head Start as follows:

(i) *Early Head Start*—A program that serves families with at-risk children from birth to 3 years of age.

(ii) *Head Start*—A program designed to prepare at-risk children, 3 years of age or older but under 5 years of age, for school success.

Homelessness—Refers to a child who lacks a fixed, regular and adequate nighttime residence as specified in section 725(2) of the McKinney-Vento Homeless Assistance Act (42 U.S.C.A § 11434a(2)). The term includes:

- (i) Children and youth who are sharing the housing of other persons due to loss of housing, economic hardship or a similar reason; are living in motels or hotels due to the lack of alternative accommodations; are living in emergency or transitional shelters; or are abandoned in hospitals.
- (ii) Children and youth who have a primary nighttime residence that is a public or private place not designed for or ordinarily used as a regular sleeping accommodation for human beings.

(iii) Children and youth who are living in cars, parks, public spaces, abandoned buildings, substandard housing, bus or train stations, or similar settings.

(iv) Migratory children who qualify as homeless for the purposes of this subtitle because the children are living in circumstances described in subparagraphs (i) through (iii).

Income—Includes the following:

- (i) Earned income, including gross wages from work, cash and income from self-employment.
- (ii) Unearned income or benefits, including cash and contributions received by an individual for which the individual does not provide a service.

Maternity or family leave—As defined under the Family and Medical Leave Act of 1993 (29 U.S.C.A. §§ 2601—2654).

Maximum child care allowance—The highest amount the Department will pay for child care services provided to families eligible for subsidized child care.

Overpayment—The receipt of subsidy for a child for which the family is not or was not eligible or an amount in excess of the amount for which the family was eligible.

Owner or operator of a child care facility—The legal entity or individual that owns the facility, or the legal entity or a person designated by the legal entity to serve as the facility director.

Parent—The biological or adoptive mother or father, or stepmother or stepfather, who exercises care and control of the child for whom subsidy is requested.

Period of presumptive eligibility— A temporary period not to exceed 92 calendar days, during which the family is eligible for subsidized child care and meets one of the following conditions:

(i) At application or redetermination, a parent or caretaker in a family that is experiencing homelessness may substitute job search activities to meet the work requirement as specified in § 3042.33 (relating to work, education and training).

(ii) At redetermination, a family with a parent or caretaker who is on leave approved by the Department and has verified work, education or training that will begin no later than 92 calendar days following the redetermination due date is considered to be meeting the work requirement as specified in § 3042.33.

Prospective work, education or training—Employment, education or training verified by the employer, school official or training official to begin no later than 30 calendar days following the date the parent or caretaker signs and dates the application for subsidized child care.

Provider—An organization or individual that directly delivers child care services.

Published rate—A provider's daily charge for a child who does not receive subsidized child care.

Recoupment—Recovery of an overpayment by increasing the co-payment or other payment arrangement.

SMI—State Median Income—An income figure that represents the midpoint in the range of State household income.

Self-certification—A written statement provided by a parent or caretaker for the purpose of establishing selected factors of nonfinancial eligibility.

Self-declaration—A written statement provided by the parent or caretaker for the purpose of establishing financial or nonfinancial eligibility for a period of time not to exceed 30 calendar days.

Self-employment—Operating one's own business, trade or profession for profit.

Subsidized child care—Child care service paid for in part with State or Federal funds.

Subsidy suspension—A temporary lapse of subsidized child care that does not affect the family's eligibility status.

TANF—Temporary Assistance for Needy Families Program—

(i) A Federal nonentitlement program under sections 401—419 of the Social Security Act (42 U.S.C.A. §§ 601—

619) that provides cash assistance to families including dependent children and an adult.

(ii) The term includes extended TANF benefits that are received beyond the 5-year TANF period.

Tiered-reimbursement—An amount the Department sets and adds to a provider's payment rate if the provider meets additional quality standards, based on the level of quality the provider maintains and the amount of time the child receives care from the provider in a day.

Training—

(i) Instruction that provides the skills or qualifications necessary for a specific vocation or field of employment.

(ii) The term includes adult basic education, English as a second language, a 2-year or 4-year postsecondary degree program, an internship, clinical placement, apprenticeship, lab work and field work required by the training institution.

Verification—

(i) The process of confirming information needed to determine eligibility for subsidized child care.

(ii) The term includes documentary evidence or information obtained through collateral contacts, self-certification and self-declaration.

Waiting list—A record maintained by the eligibility agency of the names of families and their children determined eligible to receive subsidized child care, but for whom funding is not currently available.

Work—Employment or self-employment.

§ 3042.4. Nondiscrimination.

(a) An eligibility agency may not discriminate against applicants for or recipients of Federal or State subsidized funds on the basis of age, race, sex, color, religious creed, national or ethnic origin, ancestry, sexual orientation, gender identity, or physical or mental disability.

(b) An eligibility agency shall offer child care subsidy within the provisions of applicable civil rights laws and regulations, including the following:

(1) The Pennsylvania Human Relations Act (43 P.S. §§ 951—963).

(2) The Age Discrimination Act of 1975 (42 U.S.C.A. §§ 6101—6107).

(3) Title VI of the Civil Rights Act of 1964 (42 U.S.C.A. §§ 2000d—2000d-4a).

(4) Title VII of the Civil Rights Act of 1964 (42 U.S.C.A. §§ 2000e—2000e-15).

(5) Section 504 of the Rehabilitation Act of 1973 (29 U.S.C.A. § 794).

(6) The Americans with Disabilities Act of 1990 (42 U.S.C.A. §§ 12101—12213).

GENERAL BENEFITS

§ 3042.11. Provision of subsidized child care.

(a) Subsidized child care is provided for a child whose family meets financial and nonfinancial eligibility requirements.

(b) Subsidized child care is available to an otherwise eligible child who is under 13 years of age.

(c) Subsidized child care will continue until the eligibility agency completes the family's next scheduled annual redetermination when a child turns 13 years of age between redeterminations.

(d) Subsidized child care is available to an otherwise eligible child who is 13 years of age or older but under 19 years of age and who is incapable of self-care.

(e) A former TANF family is eligible for a child care subsidy under this chapter as specified in §§ 3042.111—3042.122 regarding former TANF families.

(f) The Department, through the Department's contract with the eligibility agency, will direct funding for various populations, including individuals who formerly received TANF benefits and foster children.

§ 3042.12. Parent choice.

A family that is eligible for subsidized child care shall have the right to choose care from a provider that agrees to comply with the Department's standards for provider participation. Providers eligible to participate include:

(1) A child care center certified under Chapter 3270 (relating to child day care centers).

(2) A group child care home certified under Chapter 3280 (relating to group child day care homes).

(3) A family child care home certified under Chapter 3290 (relating to family child day care homes).

(4) A grandparent, great-grandparent, aunt, uncle or sibling of the child who is 18 years of age or older and does not reside within the same household as the child.

§ 3042.13. Subsidy benefits.

A subsidy-eligible family may receive child care during the hours that the child needs care if the parent or caretaker:

(1) Works or attends education or training, including travel between the parent's or caretaker's work, education or training and the child care facility.

(2) Requires uninterrupted sleep time following the completion of an overnight work shift.

§ 3042.14. Payment of provider charges.

(a) A provider participating in the subsidized child care program is eligible to receive payment from the eligibility agency for services provided to a subsidy-eligible child.

(b) The eligibility agency may not pay child care costs that exceed the maximum child care allowance minus the family co-payment for the type of care the child received from the provider, except when the Department provides tiered-reimbursement to providers that are eligible based on their participation in the Department's Quality Rating and Improvement System.

(c) The Department may provide tiered-reimbursement based on the availability of funding.

(d) If a parent or caretaker selects a provider whose published rate exceeds the Department's payment rate, the provider may charge the parent or caretaker the difference between these two amounts, in addition to the weekly co-payment.

(e) A change in a parent's or caretaker's need for child care and the resulting adjustment in the amount of payment to the provider shall begin on the date the parent or caretaker reports the change or on the date the change begins, whichever is later.

(f) When additional funding becomes available, the Department may direct any additional funding to providers that offer child care services during non-traditional hours.

(g) The eligibility agency will not make retroactive payments for child care costs incurred more than 30 days

prior to the issuance of an enrollment authorization, with the exception of a former TANF family as specified in § 3042.119 (relating to retroactive payment for former TANF families).

(h) The Department will not permit new subsidy enrollments at a provider for whom the Department has issued a revocation or refusal to renew.

§ 3042.15. Subsidy limitations.

(a) A family in which a parent or caretaker is receiving funds from the TANF cash assistance program is not eligible for subsidized child care under this chapter.

(b) Subsidized child care may not be used as a substitute for a publicly-funded educational program, such as kindergarten or a specialized treatment program. At the parent's or caretaker's request, a subsidy-eligible, kindergarten-age child is permitted 1 additional school year to be enrolled in kindergarten.

(c) If a parent or caretaker is the operator of a child care center, group child care home or family child care home as specified in Chapter 3270, Chapter 3280 or Chapter 3290 (relating to child day care centers; group child day care homes; and family child day care homes), and if space is available to enroll the parent's or caretaker's child at the facility operated by the parent or caretaker, that child is not eligible to receive subsidized child care.

(d) If a parent or caretaker is the operator of a home that is exempt from certification under section 1001 of the Human Services Code (62 P.S. § 1001), and if space is available to enroll the parent's or caretaker's child at the facility operated by the parent or caretaker, that child is not eligible to receive subsidized child care.

(e) A child is ineligible for subsidized child care if not enrolled with an eligible child care provider within 30 calendar days following the date the eligibility agency notifies the parent or caretaker that funding is available to enroll the child. Exceptions may apply with Departmental approval.

§ 3042.16. Prohibition of additional conditions and charges.

The eligibility agency may not:

(1) Impose eligibility conditions other than conditions listed in this chapter.

(2) Require the parent or caretaker to select a particular provider or combination of providers as a condition of eligibility.

§ 3042.17. Attendance.

(a) When the parent or caretaker enrolls a child in subsidized child care, the parent or caretaker shall specify, in writing to the eligibility agency, the days for which the parent or caretaker requested child care.

(b) A child must attend child care at the provider on all days for which the parent or caretaker requested child care as specified in § 3042.13 (relating to subsidy benefits), unless the provisions specified in § 3042.20 (relating to subsidy suspension) apply.

§ 3042.18. Absence.

(a) Upon notification from the provider that a child has been absent more than 5 consecutive days for which the child is scheduled to attend child care, the eligibility agency shall send the parent or caretaker a notice confirming the suspension of the child's enrollment and payment to the provider.

(b) Upon notification from a parent or caretaker that a child has been or will be absent more than 5 consecutive days for which the child is scheduled to attend child care, the eligibility agency shall send the parent or caretaker a notice confirming the suspension of the child's enrollment and payment to the provider.

(c) The notice shall inform the parent or caretaker of the following:

(1) The responsibility of the parent or caretaker to report to the eligibility agency the date of the child's return to care.

(2) Payment shall resume on the date the child returns to care.

(d) If a child's absences exceed 40 total enrollment days in the State's fiscal year, the parent or caretaker is responsible to pay to the provider the provider's verified published daily rate for each day of absence starting with the 41st day of absence. A child is considered absent only once during an enrollment day. Suspended days of service as specified in § 3042.20 (relating to subsidy suspension) are not considered days of absence.

§ 3042.19. Subsidy continuation.

(a) A family's eligibility and payment for subsidized child care continues during a break in or following the loss of work, education or training for the remainder of the child's current 12-month eligibility period.

(b) A child's eligibility and payment for subsidized child care continues for the remainder of the child's current 12-month eligibility period when there is a change in the child's primary parent or caretaker. The substitute caretaker must meet only the requirement that the family's annual income does not exceed 85% of the SMI.

(c) Subsidized child care will continue at the same level until the family's next scheduled annual redetermination in the following circumstances, unless the parent or caretaker requests the eligibility agency suspend care:

(1) A parent or caretaker has a break in work, education or training.

(2) A parent or caretaker experiences a decrease in work, education or training hours.

(3) A parent or caretaker experiences the onset of a disability.

(4) A parent or caretaker is on maternity or family leave, as defined under the Family and Medical Leave Act of 1993 (29 U.S.C.A. §§ 2601—2654).

§ 3042.20. Subsidy suspension.

(a) The eligibility agency shall suspend subsidy if a child is unable to attend child care for more than 5 consecutive days for which the child is scheduled to attend.

(b) At the parent's or caretaker's request, the eligibility agency shall suspend subsidy for a child who is expected to be absent more than 5 consecutive days.

(c) The eligibility agency shall terminate subsidy for excessive unexplained absences after the subsidy has been suspended for a minimum of 60 consecutive days and the eligibility agency's repeated attempts to contact the parent or caretaker regarding the child's absences are unsuccessful, and following proper notification to the family as specified in § 3042.155 (relating to notice of adverse action).

§ 3042.21. Subsidy disruption.

Subsidy to a child may be disrupted if the eligibility agency cannot continue to subsidize the number of children enrolled in subsidized child care due to insufficient State or Federal funding.

(1) Subsidy for children whose family's income is at the highest percentage of the FPIG is disrupted first.

(2) A child whose subsidy is disrupted under this subsection is placed on the waiting list according to the date of the initial eligibility for subsidized child care.

ELIGIBILITY REQUIREMENTS

§ 3042.31. Financial eligibility.

(a) At initial application, annual family income may not exceed 200% of the FPIG.

(b) Following an initial determination of eligibility, a family shall remain financially eligible for subsidized child care as long as the family's annual income does not exceed 85% of the SMI.

(c) At redetermination, the family's annual income may not exceed 235% of the FPIG or 85% of the SMI.

(d) The eligibility agency shall inform the parent or caretaker of the annual family income that will exceed 235% of the FPIG or 85% of the SMI and will cause the family to be ineligible for subsidized child care.

(e) A family is ineligible for subsidized child care when the family's assets exceed \$1 million at application and redetermination.

§ 3042.32. Residence.

(a) Family members shall be residents of this Commonwealth.

(b) The parent or caretaker shall apply to the eligibility agency that is responsible for the geographic area that includes the zip code of the family's residence.

(c) A parent or caretaker experiencing domestic violence or homelessness may use an alternate address for receipt of mail or telephone number for receipt of telephone calls.

§ 3042.33. Work, education and training.

(a) The parent or caretaker shall work at least 20 hours per week.

(b) The eligibility agency shall average a parent's or caretaker's work hours in cases where hours of work vary from week to week.

(c) The eligibility agency shall consider a parent or caretaker as meeting the work-hour requirement specified in subsection (a), under the following circumstances:

(1) A parent or caretaker is under 22 years of age and does not have a high school or general educational development diploma, but is enrolled in and attending education on a full-time basis.

(2) A parent or caretaker attends training and works at least 10 hours per week. The time spent in training counts toward the 20-hour-per-week work requirement.

§ 3042.34. Prospective work, education and training.

(a) A family in which a parent or caretaker has prospective work, education or training may be eligible for subsidized child care if the following requirements are met:

(1) The work, education or training will begin no later than 30 calendar days following the date of application.

(2) Verification of prospective work, education or training is provided as specified in § 3042.67 (relating to verification of work, education and training).

(b) Subsidized child care may not begin until the parent or caretaker begins work, education or training.

(c) The parent or caretaker shall notify the eligibility agency of the actual amount of income no later than 10 calendar days after receiving the first income for work.

§ 3042.35. Immunization.

(a) A child receiving subsidized child care shall be up-to-date with immunizations as recommended by the American Academy of Pediatrics. For facilities subject to certification by the Department, immunizations shall be provided as specified in §§ 3270.131, 3280.131 and 3290.131 (relating to health information). The eligibility agency shall grant exemption from the immunization requirement under one of the following circumstances:

(1) A child's parent or caretaker objects to immunizations on religious grounds.

(2) A parent or caretaker informs the eligibility agency that a child's medical condition contraindicates immunization.

(b) If an otherwise eligible child is not up-to-date with immunizations and not exempt from immunization, the eligibility agency shall authorize the family for subsidy and give the parent or caretaker 90 calendar days to obtain immunizations for the child and self-certify that the child is up-to-date with immunizations or that the child is exempt from the immunization requirement.

§ 3042.36. Citizenship.

A child receiving subsidized child care shall be a United States citizen or an alien lawfully admitted for permanent residence or otherwise lawfully and permanently residing in the United States.

§ 3042.37. Eligibility of households including a parent or caretaker with a disability.

(a) Following the determination of eligibility for subsidized child care, a single parent or caretaker who meets all of the following conditions is excused from the work, education and training requirements until the family's next scheduled annual redetermination:

(1) Experiences the onset of a disability that is verified as specified in § 3042.70 (relating to verification of inability to work due to a disability).

(2) Is unable to continue work, education or training due to the disability or the need to attend treatment for the disability.

(b) A two-parent or two-caretaker family may be eligible for subsidized child care if all of the following conditions are met:

(1) One parent or caretaker is working.

(2) The parent or caretaker that is not working has a disability that is verified as specified in § 3042.70 at the time of application, or at the time the parent or caretaker becomes disabled and at each subsequent redetermination.

(3) The parent or caretaker with the disability is unable to work or participate in education or training and is unable to care for the child for whom the family

requested subsidy, or has a need to attend treatment for the disability and is unable to care for the child.

(4) There is a court order or safety plan issued by a children and youth agency that prohibits the other parent or caretaker from caring for the child for whom the family requested subsidy.

DETERMINING FAMILY SIZE AND INCOME

§ 3042.41. Family size.

(a) Individuals included in the definition of family as specified in § 3042.3 (relating to definitions) shall be counted when determining family size.

(b) A foster child may be counted as a family of one or may be included in a family as defined in this chapter.

§ 3042.42. Income counted.

The eligibility agency shall include the income of the following family members when determining financial eligibility:

(1) The parent or caretaker of the child for whom subsidy is sought, excluding a teenage parent's earned income.

(2) A parent's or caretaker's spouse.

(3) Children for whom the parent or caretaker receives unearned income.

§ 3042.43. Income adjustment.

To determine adjusted family income, the eligibility agency shall:

(1) Determine gross income as specified in Appendix A, Part I (relating to income to be included, deducted and excluded in determining gross monthly income) for each family member listed in § 3042.42 (relating to income counted).

(2) Estimate monthly income from each income source in accordance with § 3042.44 (relating to estimating income).

(3) Convert weekly, biweekly, semimonthly and other pay periods to gross monthly amounts using the Conversion Table in Appendix A, Part I.

(4) Calculate the total gross monthly income.

(5) Determine the stepparent deduction as specified in Appendix C (relating to stepparent deduction chart).

(6) Determine other allowable deductions listed in Appendix A, Part II (relating to income to be included, deducted and excluded in determining gross monthly income) for each source of income.

(7) Determine adjusted family income by subtracting the total monthly deductions specified in paragraphs (5) and (6) from the total gross monthly income specified in paragraph (4).

(8) Multiply adjusted family income by 12 to determine annual family income.

§ 3042.44. Estimating income.

(a) The eligibility agency shall use its best estimate of monthly income based upon circumstances at the time of application or redetermination as specified in Appendix A, Part I (relating to income to be included, deducted and excluded in determining gross monthly income) for the table used to convert weekly, biweekly, semimonthly and other pay periods to monthly amounts.

(b) For parents or caretakers who are working and have received pay at the time they apply for subsidized

child care, the eligibility agency shall estimate income based upon verified, actual amounts already received by the family prior to application or redetermination.

(c) The eligibility agency shall adjust its estimate of monthly income to reflect recent or anticipated changes and unusual circumstances that are not expected to recur, such as overtime not likely to continue.

(d) When an applicant anticipates starting work within the next 30 days or has not yet received a first paycheck, income eligibility is established based on verified anticipated income.

ELIGIBILITY DETERMINATION

§ 3042.51. Application.

(a) The eligibility agency shall make applications for subsidized child care available to any person upon request.

(b) A parent or caretaker may file a signed application for subsidized child care under this chapter, including an electronically-signed, online application, on any day and at any time.

(c) A parent or caretaker may submit an application by mail, hand-delivery, facsimile or electronically.

§ 3042.52. Initial determination of eligibility.

(a) The eligibility agency shall stamp the date and time of receipt on the signed application on the same day the eligibility agency receives the application by mail, hand-delivery, facsimile or electronically.

(b) The eligibility agency shall determine a family's eligibility and authorize payment for subsidized child care no later than 10 calendar days following verification of all factors of eligibility. The eligibility agency may not delay a determination of eligibility beyond 30 calendar days following receipt of a signed application from the parent or caretaker.

(c) The eligibility agency shall determine a family eligible retroactive to the date the family submitted a signed application if the eligibility agency has received all information necessary to complete the application and the verification provided by the parent or caretaker establishes eligibility.

§ 3042.53. Effective date of coverage.

(a) If the eligibility agency determines a family eligible for subsidized child care and if funding is available, coverage of child care costs is retroactive to the date the family submitted a signed application.

(b) If the eligibility agency places a child on a waiting list following the determination of eligibility, coverage of child care costs must begin on the date funding is available.

§ 3042.54. Notification of eligibility status and availability of funding.

(a) The eligibility agency shall notify the parent or caretaker of the family's eligibility status within 30 calendar days of receiving a signed application.

(b) If the eligibility agency determines a family eligible for subsidized child care, the eligibility agency shall notify the family's child care provider when funding becomes available to enroll the child.

§ 3042.55. Period of eligibility.

A family receiving subsidy remains eligible until determined ineligible.

§ 3042.56. Face-to-face meeting.

(a) If the eligibility agency determines a family eligible for subsidized child care and if funding is available, the parent or caretaker shall attend a face-to-face meeting with the eligibility agency no later than 30 calendar days following the date the eligibility agency notifies the family of eligibility for subsidized child care.

(b) If the eligibility agency determines a family eligible for subsidized child care and if funding is not available, the parent or caretaker shall attend a face-to-face meeting with the eligibility agency no later than 30 calendar days following the date the first child from a family is enrolled in subsidized child care.

(c) The eligibility agency shall accommodate the parent's or caretaker's work hours in scheduling the meeting.

(d) The eligibility agency may extend the 30-day time frame for the face-to-face meeting if, on or before the 30th calendar day, the parent or caretaker claims hardship due to conflicts with the parent's or caretaker's working hours, transportation problems, or illness of the parent or caretaker or another family member. When the parent or caretaker claims hardship, the eligibility agency may grant an additional 30 days from the date the hardship is claimed for the meeting.

(e) The eligibility agency may substitute a telephone contact for a face-to-face meeting if a face-to-face meeting cannot be scheduled without the parent or caretaker experiencing a hardship.

(f) The eligibility agency may waive the requirement for the face-to-face meeting if the parent or caretaker has completed a face-to-face meeting with the eligibility agency within the previous 12 months.

§ 3042.57. Waiting list.

(a) If funds are not available to enroll a child following determination of the family's eligibility for subsidy, the eligibility agency shall place an eligible child on a waiting list on a first-come, first-served basis.

(b) If a parent or caretaker requests subsidized child care for an additional child following the date the family was initially determined eligible for subsidized child care, the eligibility agency shall place the additional child on the waiting list according to the date and time that the parent or caretaker requests care for the additional child.

(c) A child is ineligible for subsidized child care if not enrolled with an eligible child care provider within 30 calendar days following the date the eligibility agency notifies the parent or caretaker that funding is available to enroll the child. Exceptions may apply with Departmental approval. These exceptions may include instances with circumstances that are beyond a family's control, such as, returning to work following maternity leave or not being able to enroll a child in care until a spot opens at the only child care facility in the area.

SELF-CERTIFICATION AND VERIFICATION

§ 3042.61. General verification requirements.

(a) The parent or caretaker shall be the primary source of verification in establishing and maintaining eligibility for subsidized child care.

(b) The eligibility agency shall assist parents and caretakers in obtaining verification, including making a collateral contact.

(c) The eligibility agency may not impose requirements for verification beyond the requirements of this chapter.

(d) At the time of application for subsidized child care, the eligibility agency shall obtain consent from the parent or caretaker and the parent's or caretaker's spouse permitting the eligibility agency to obtain verification of eligibility information.

(e) The eligibility agency shall retain the signed consent in the family's file.

(f) The consent shall remain in effect for as long as the family receives subsidy.

(g) The eligibility agency may not deny or terminate subsidy to a family when the parent or caretaker has cooperated in the verification process and needed verification is pending or cannot be obtained due to circumstances beyond the parent's or caretaker's control.

(h) The eligibility agency may not require a parent or caretaker to re-verify information unless the eligibility agency has information that indicates the subsidy status of the family has changed.

§ 3042.62. Collateral contact.

(a) The eligibility agency shall make a collateral contact on behalf of the parent or caretaker.

(b) The eligibility agency shall obtain from the parent or caretaker a list of sources of reliable collateral contact information.

(c) The eligibility agency shall cooperate with a source who acts as a collateral contact.

(d) Sources of reliable collateral contact information may include the following:

- (1) Public records, such as domestic relations or other courthouse records.
- (2) A school teacher or principal.
- (3) A regulated child care provider.
- (4) A health care professional.
- (5) A social service worker or counselor.
- (6) A religious professional.
- (7) An attorney.
- (8) Any other third party with knowledge about a fact or circumstance bearing on eligibility.

(e) The eligibility agency may not contact an alleged abuser or former abuser in a domestic violence situation.

§ 3042.63. Self-certification.

(a) The eligibility agency shall inform the parent or caretaker in writing that self-certification is made subject to 18 Pa.C.S. § 4904 (relating to unsworn falsification to authorities).

(b) The eligibility agency shall accept the statement of the parent or caretaker as sufficient proof of the following eligibility factors:

- (1) Age of the child.
- (2) Inclusion in the family composition of a child who is 18 years of age or older but under 22 years of age and meets the definition of family set forth in § 3042.3 (relating to definitions).
- (3) Citizenship or immigration status.
- (4) Immunization status or exemption from the immunization requirement.
- (5) Days and hours for which the child needs care.

(6) Status of an individual who formerly received TANF as specified in § 3042.115(1) (relating to reporting requirements for former TANF families).

(7) Face-to-face time frame extension or telephone contact based on hardship as specified in § 3042.56(d)—(f) (relating to face-to-face meeting).

§ 3042.64. Self-declaration.

(a) If attempts to verify eligibility by documentary evidence or collateral contact are unsuccessful, the eligibility agency shall proceed without delay to determine the family's eligibility based upon a self-certification as specified in § 3042.63 (relating to self-certification) or by written self-declaration by the parent or caretaker.

(b) The eligibility agency shall instruct the parent or caretaker that a written self-declaration is made subject to 18 Pa.C.S. § 4904 (relating to unsworn falsification to authorities).

(c) The eligibility agency shall accept a parent's or caretaker's self-declaration statement, unless evidence contradicts the statement.

(d) If a parent or caretaker uses self-declaration as verification, the eligibility agency shall require the parent or caretaker to provide another form of acceptable verification no later than 30 calendar days following the date the written self-declaration is accepted by the eligibility agency, unless otherwise specified in this chapter.

§ 3042.65. Verification of income.

(a) Acceptable verification of earned income from employment includes one of the following:

- (1) Pay stubs reflecting earnings for 4 weeks in the most recent 6-week period, the Department's employment verification form reflecting actual or anticipated earnings, the Internal Revenue Service form used for reporting tips, an employer statement of anticipated earnings and hours, or other document that establishes the parent's or caretaker's earnings or anticipated earnings from employment.
- (2) Another document that establishes income from work.
- (3) The Department's cash verification form.
- (4) A collateral contact as specified in § 3042.62 (relating to collateral contact).
- (5) A written self-declaration by the parent or caretaker as specified in § 3042.64 (relating to self-declaration).

(b) Acceptable verification of income from self-employment includes:

- (1) Tax returns, including schedules related to self-employment, filed for the preceding Federal tax year and which document profit for that year.
- (2) The Department's self-employment verification form that includes a statement of gross earnings, minus allowable cost of doing business, and that shows a profit.

(c) Acceptable verification of unearned income includes one of the following:

- (1) A copy of a current benefit check, an award letter that designates the amount of a grant or benefit, such as a letter from the Social Security Administration stating the amount of the Social Security benefit, a bank statement, a court order, or other document or database report that establishes the amount of unearned income.
- (2) A collateral contact as specified in § 3042.62.

(3) A written self-declaration by the parent or caretaker as specified in § 3042.64.

(d) Acceptable verification of the amount of support received or paid by the family includes one of the following:

(1) Information from the Pennsylvania Child Support Enforcement System.

(2) Information from a domestic relations office.

(3) Court order.

(4) Pay stub.

(5) Written statement by the noncustodial parent or the noncustodial parent's legal representative.

(6) A copy of a current benefit check that designates the amount of support.

(7) Collateral contact as specified in § 3042.62.

(8) A written self-declaration by the parent or caretaker as specified in § 3042.64.

§ 3042.66. Verification of residence.

(a) The parent or caretaker shall submit verification of residence at the time of application.

(b) Acceptable verification of residence includes any of the following:

(1) Mail received by the parent or caretaker or a copy of a lease, utility bill, deed, driver's license, rental agreement or other document establishing residence.

(2) A collateral contact as specified in § 3042.62 (relating to collateral contact).

(3) A written self-declaration by the parent or caretaker as specified in § 3042.64 (relating to self-declaration).

(c) The parent or caretaker shall submit verification of residence at the time of redetermination if the parent or caretaker reported a change of address.

§ 3042.67. Verification of work, education or training.

Acceptable verification of the number of hours of work, education, training or enrollment in education or training includes one of the following:

(1) A document provided by the parent or caretaker as verification of earned or anticipated earned income, if this verification indicates or can be used to compute the number of hours the parent or caretaker worked, is normally scheduled to work or, in cases when hours vary, the average number of hours worked.

(2) A copy of a work schedule signed by the employer.

(3) A copy of the class or training schedule from an education or training representative.

(4) Another document that establishes the number of hours of work or anticipated hours of work, education or training.

(5) A collateral contact as specified in § 3042.62 (relating to collateral contact).

(6) A written self-declaration by the parent or caretaker that indicates the parent or caretaker works or will work at least 20 hours per week as specified in § 3042.64 (relating to self-declaration).

§ 3042.68. Verification of circumstances relating to a decrease in co-payment.

Acceptable verification of circumstances relating to a decrease in co-payment includes any of the following:

(1) Verification of a decrease in income as specified in § 3042.65 (relating to verification of income).

(2) Verification of a change in family size and composition as specified in § 3042.71 (relating to verification of family size).

(3) Verification of maternity and family leave as indicated by one of the following:

(i) A birth certificate.

(ii) The Department's medical assessment form.

(iii) A medical record or a written statement from a physician.

(iv) A written statement or other documentation completed by a licensed physician that describes the inability to work or participate in education or training and includes a date of anticipated return to work.

(v) A written statement from the employer or an education or training representative.

(vi) A collateral contact as specified in § 3042.62 (relating to collateral contact).

(vii) A written self-declaration by the parent or caretaker as specified in § 3042.64 (relating to self-declaration).

(4) Verification relating to inability to work due to a disability as specified in § 3042.70 (relating to verification of inability to work due to a disability).

§ 3042.69. Verification of identity.

(a) The parent or caretaker shall submit verification of identity at the time of application.

(b) Acceptable verification of identity includes any of the following:

(1) Employer identification card.

(2) Military photo-identification card.

(3) Passport.

(4) Other verifiable photo-identification.

(5) Driver's license with or without a photograph.

(6) State-issued birth certificate.

(7) Certificate of naturalization.

(8) Certificate of United States citizenship.

(9) Alien registration receipt card or permanent resident card.

(10) Valid or expired State driver's learner's permit.

(11) Social Security card.

(12) Marriage license, divorce decree or court order for a name change.

(13) Marriage record that contains the date of birth.

(14) Voter registration card.

(15) A collateral contact as specified in § 3042.62 (relating to collateral contact).

(16) A written self-declaration by the parent or caretaker as specified in § 3042.64 (relating to self-declaration).

(c) The parent or caretaker shall submit verification of identity at the time of redetermination if the eligibility

agency becomes aware of an additional parent or caretaker residing in the household.

§ 3042.70. Verification of inability to work due to a disability.

Acceptable verification of inability to work due to a disability at the time of application or redetermination includes:

(1) In a two-parent or two-caretaker family, verification of the parent's or caretaker's disability shall include an assessment by a physician or psychologist that states the following:

(i) The condition causing the inability to work or to participate in education or training.

(ii) The manner in which the condition causing the disability prevents the parent or caretaker from providing care for the child.

(iii) The date the parent or caretaker is expected to return to work or resume participation in education or training or the date the parent or caretaker will be able to care for the child.

(2) In a two-parent or two-caretaker family, if the parent or caretaker with a disability submits written verification of disability payments from Social Security, Supplemental Security Income (SSI), Worker's Compensation, 100% of Veterans Disability or 100% of another type of work-related disability, that verification shall serve as permanent verification of the parent's or caretaker's inability to work.

§ 3042.71. Verification of family size.

Acceptable verification of family size includes one of the following:

(1) A birth certificate.

(2) A custody order.

(3) A medical record or a written statement from a physician.

(4) A written statement from the parent indicating that the caretaker has care and control of the child for whom subsidized child care is requested.

(5) A school record.

(6) A government or social service agency record.

(7) A collateral contact as specified in § 3042.62 (relating to collateral contact).

(8) A written self-declaration by the parent or caretaker as specified in § 3042.64 (relating to self-declaration).

§ 3042.72. Verification of child's incapability of caring for himself.

Acceptable verification of a child's incapability of caring for himself as specified in § 3042.11(c) (relating to provision of subsidized child care) is documentation by a licensed physician or psychologist.

§ 3042.73. Verification of care and control.

Acceptable verification of care and control includes one of the following:

(1) A school record.

(2) A medical record or a written statement from a physician.

(3) A social service record.

(4) A religious record.

(5) A domestic relations office support order.

(6) A court order.

(7) A rental or lease agreement.

(8) A notarized written statement from the parent or caretaker.

(9) A collateral contact as specified in § 3042.62 (relating to collateral contact).

(10) A written self-declaration by the parent or caretaker as specified in § 3042.64 (relating to self-declaration).

§ 3042.74. Verification of foster child status.

(a) Acceptable verification of foster child status includes one of the following:

(1) A statement from a children and youth agency.

(2) A record from a government or social service agency.

(b) Verification of foster child status must be verified at application, redetermination or upon adding the child to the family composition.

ELIGIBILITY AGENCY RESPONSIBILITIES

§ 3042.81. Eligibility agency.

(a) The eligibility agency shall manage the subsidized child care program in part of a county, a single county or several counties.

(b) The eligibility agency may be either a prime contractor or a subcontractor designated in a prime contract.

§ 3042.82. Eligibility determination.

(a) The eligibility agency shall determine eligibility for subsidized child care as specified in this chapter.

(b) The eligibility agency may not impose eligibility conditions other than the conditions listed in this chapter.

(c) The eligibility agency may not require the parent or caretaker to select a particular provider or combination of providers as a condition of eligibility.

§ 3042.83. Confidentiality.

(a) The eligibility agency and its employees shall keep confidential the information in the family file and use that information only for purposes directly connected to the administration of their duties.

(b) Agents of the United States, the Commonwealth and the Department who are responsible for eligibility review, evaluation or audit functions shall have access to, and the right to the use and disclosure of, information on applicants or recipients of subsidized child care. This use and disclosure is confined to the agent's responsibility to carry out review, evaluation or audit functions.

(c) Disclosure of information beyond the scope of review, evaluation or audit functions performed by the agents requires the parent's or caretaker's informed and written consent.

(d) Information in the family file may be disclosed to the local CAO when necessary to ensure that funds are authorized appropriately.

(e) The eligibility agency shall ensure the confidentiality of an individual who files an appeal or complaint about a family's receipt of subsidized child care for a child.

§ 3042.84. Family file.

(a) An eligibility agency shall establish and maintain a separate file for the family of each parent or caretaker who applies for subsidized child care.

(b) The family file shall contain documents pertaining to eligibility determination, redetermination, subsidized child care authorization, co-payment agreements and copies of written notices required by this chapter.

(c) A parent or caretaker or an authorized representative has a right to examine the family file.

§ 3042.85. Record retention.

(a) An eligibility agency shall retain paper or electronic family files, completed application forms, written notices, books, records and other fiscal and administrative documents pertaining to subsidized child care.

(b) An eligibility agency shall maintain records for at least 6 years from the end of the fiscal year in which subsidized child care has been provided or until an audit or litigation is resolved.

(c) The fiscal year is a period of time beginning July 1 of any calendar year and ending June 30 of the following calendar year.

§ 3042.86. Processing reported changes.

(a) A parent or caretaker may report a change in circumstances whenever a change occurs.

(b) A parent or caretaker shall report income in excess of 85% of the SMI no later than 10 calendar days following the date of the change.

(c) If the parent or caretaker reports a change that results in the family or a child in the family becoming ineligible for subsidy, the eligibility agency shall take the necessary steps to terminate the subsidy with proper notification to the family as specified in § 3042.155 (relating to notice of adverse action).

(d) If the parent or caretaker reports a change that may result in a decrease in the family co-payment, the eligibility agency shall review the change and decrease the co-payment as specified in § 3042.94 (relating to parent or caretaker co-payment requirements).

(e) If the parent or caretaker fails to report a change in the child's provider, the child remains eligible. The eligibility agency may not make retroactive payment more than 30 calendar days prior to the date the parent or caretaker reported the change, except for a former TANF family as specified in § 3042.119 (relating to retroactive payment for former TANF families).

§ 3042.87. Voluntary request to terminate subsidized child care.

(a) A parent or caretaker may request the eligibility agency to terminate subsidy.

(b) Upon receipt of a request to terminate subsidy, the eligibility agency shall take steps to terminate the family's eligibility.

(c) The eligibility agency shall notify the parent or caretaker as specified in § 3042.156 (relating to notice confirming voluntary withdrawal).

§ 3042.88. Child abuse reporting.

The eligibility agency shall immediately report suspected child abuse in accordance with the Child Protective Services Law (23 Pa.C.S. §§ 6301—6387) and Chapter 3490 (relating to protective services).

CO-PAYMENT AND PAYMENT BY THE DEPARTMENT**§ 3042.91. General co-payment requirements.**

(a) The eligibility agency shall determine the amount of the parent's or caretaker's co-payment during the eligibility process based on the parent's or caretaker's actual or verified anticipated income and family size.

(b) The eligibility agency will set the co-payment at an initial determination of eligibility for subsidized child care and reestablish it at each successive redetermination of eligibility.

(c) The co-payment covers each child in the family who is receiving subsidized child care.

(d) The co-payment includes each day of the week for which the family establishes a need for child care.

(e) The co-payment is due on the first day of the service week and each week thereafter, regardless of the day the parent or caretaker enrolls the child.

§ 3042.92. Department's payment.

(a) The payment rate is the daily amount paid to a child care provider for services delivered to a child who is eligible for subsidized child care.

(b) If the co-payment does not exceed the payment rate for care, the difference between the payment rate and the weekly co-payment is the Department's payment for subsidized child care.

(c) If the Department's weekly payment to the provider is less than \$5, the family is not eligible for subsidized child care with that provider.

§ 3042.93. Adjusted co-payment for prospective work.

(a) Upon notification by the parent or caretaker of receipt of payment for employment, the eligibility agency shall:

(1) Adjust the family co-payment, if applicable, no later than 20 calendar days following the date the parent or caretaker reports the receipt of payment from employment.

(2) Provide notice to the parent or caretaker of the planned change in the co-payment.

(b) The parent or caretaker shall begin paying the adjusted co-payment starting the first day of the service week following the date the written notice is postmarked or hand-delivered to the parent or caretaker by the eligibility agency.

(c) A single parent or caretaker who applies for subsidized child care and who reports prospective work is not required to pay a co-payment until the parent or caretaker receives income from work.

§ 3042.94. Parent or caretaker co-payment requirements.

(a) If the co-payment is decreased as the result of a parent or caretaker voluntarily reporting a change or as the result of a redetermination, the parent or caretaker shall begin paying the reduced co-payment on the first day of the service week following the date the parent or caretaker reported a change or the date the redetermination was completed.

(b) If the co-payment is increased as the result of a redetermination, the parent or caretaker shall begin paying the increased co-payment on the first service day of the week following the expiration of the notification

period specified in § 3042.151(a) (relating to general notification requirements) advising the parent or caretaker of the co-payment increase.

(c) The co-payment is due on the first day of the service week and each week thereafter, regardless of the day the parent or caretaker enrolls the child.

§ 3042.95. Delinquent co-payment.

(a) A co-payment is delinquent if it is not paid by the last day of the service week.

(b) On the day the provider reports the co-payment is delinquent, the eligibility agency shall notify the parent or caretaker in writing that action will be taken to terminate subsidy for the child.

(c) If a co-payment is delinquent, the eligibility agency will apply the first payment paid during a week to the current week's co-payment. The eligibility agency will apply subsequent payments during a week to the delinquent co-payment.

(d) To maintain eligibility for subsidized child care when a parent or caretaker incurs a co-payment delinquency, the parent or caretaker shall pay all of the following prior to the expiration of the notification period:

- (1) The current weekly co-payment.
- (2) The delinquent co-payment.

(3) The amount of any additional delinquencies accumulated during the notification period.

§ 3042.96. Eligibility agency responsibilities regarding co-payment.

(a) The eligibility agency shall generate notices based on delinquent co-payments.

(b) The eligibility agency shall send the provider a copy of each notice issued to a parent or caretaker whose child is enrolled with the provider.

(c) When a co-payment is reported to the eligibility agency as delinquent, the eligibility agency shall mail a notice to the parent or caretaker. The notice must state that service will be terminated on a date set forth on the notice, which is the first day after 10 calendar days following the date of the written notice, unless the delinquent co-payment is paid by that date.

(d) A family whose subsidy is terminated for failure to make required co-payments may not be reauthorized for subsidy until all outstanding co-payments have been paid in full as specified in § 3042.95(d) (regarding to delinquent co-payment).

(e) The eligibility agency shall retain a copy of the termination notice.

(f) The eligibility agency shall distribute, to each parent or caretaker who applies for subsidized child care, a handbook of parent's rights and responsibilities in the subsidized child care program provided by the Department.

§ 3042.97. Use of the Federal Poverty Income Guidelines and State Median Income.

(a) The FPIG are used to determine the income limits and co-payments for subsidized child care.

(b) Following annual publication of the FPIG, the Department will publish an updated co-payment chart in Appendix B (relating to co-payment chart) through a notice in the *Pennsylvania Bulletin*.

(c) The eligibility agency shall inform each parent or caretaker of the dollar amount that is equivalent to 235% of FPIG or 85% of the SMI.

(d) The eligibility agency shall explain that 235% of FPIG and the specific dollar figure are the highest annual income amounts permitted at the time of redetermination.

(e) A family is ineligible at any time if its annual income exceeds 85% of the SMI.

§ 3042.98. Co-payment determination.

(a) The eligibility agency shall determine the family co-payment based on the following:

(1) The family size and family income as specified in §§ 3042.41—3042.44 regarding determining family size and income.

(2) The co-payment is at least \$5, unless waived as specified in §§ 3042.34(a), 3042.141(d)(2) and 3042.142(c)(2) (regarding to prospective work, education and training; domestic and other violence; and homelessness).

(3) The family's annual co-payment may not exceed 11% of the family's annual income.

(4) If the family's annual income is 100% of FPIG or less, the annual co-payment may not exceed 8% of the family's annual income.

(b) The eligibility agency shall determine the co-payment by using the co-payment chart in Appendix B (relating to co-payment chart).

§ 3042.99. Co-payment exceeding monthly payment for care.

(a) If the co-payments for 1 month are equal to or exceed the monthly payment for care, the family is not eligible for subsidized child care with that provider. The family must enroll the child or children with another eligible provider as specified in § 3042.12 (relating to parent choice).

(b) If the co-payments for 1 month are equal to or exceed the monthly payment for care because other children in the family are currently on the waiting list, the family may choose to suspend the child's care with that provider until funding becomes available to enroll other children in the family in care.

ELIGIBILITY REDETERMINATION

§ 3042.101. Eligibility redetermination.

(a) The eligibility agency shall complete a redetermination of eligibility no less than every 12 months and establish the family's next redetermination date.

(b) Prior to the redetermination, the eligibility agency shall do the following:

(1) Provide the parent or caretaker with the Department's form listing the following information last reported for each parent or caretaker or child in the family:

- (i) Earned income.
- (ii) Unearned income.
- (iii) Hours of work, education or training.
- (iv) Family composition.
- (v) Address.

(2) Request that the parent or caretaker verify the family's current income.

(3) Verify the following factors only if the parent or caretaker reports a change:

- (i) Work, education or training.
- (ii) The number of hours of work, education or training.
- (iii) Family composition.
- (iv) Address.

(c) The parent or caretaker's annual income must meet the requirements set forth in § 3042.31(c) (relating to financial eligibility).

§ 3042.102. Procedures for redetermination.

(a) No earlier than 6 weeks prior to redetermination, the eligibility agency shall send the family a form that lists the factors that will be reviewed for the redetermination of eligibility and explain the verification that will be needed to complete the redetermination.

(b) If the parent or caretaker submits only some of the required verification elements prior to the redetermination, the eligibility agency shall request in writing that the parent or caretaker submit the additional verification no later than the family's redetermination date.

(c) The eligibility agency shall retain a copy of the notification in the family file.

(d) The eligibility agency shall send a written notice to the parent or caretaker regarding failure to provide required verification only after the family's redetermination date.

(e) The eligibility agency shall require the parent or caretaker to complete, sign, and either mail, hand-deliver, fax or electronically submit the applicable form at each redetermination.

FORMER TANF FAMILIES

§ 3042.111. General provisions for former TANF families.

(a) A family that is no longer eligible for TANF cash assistance benefits or a family that voluntarily left the TANF program and meets the eligibility requirements specified in this chapter may qualify for subsidized child care.

(b) The eligibility agency shall review the information received from the CAO about a parent or caretaker who formerly received TANF benefits.

(c) The eligibility agency shall determine the date TANF benefits ended and establish the 183-day period after eligibility for TANF benefits ends, within which the parent or caretaker may receive child care benefits.

(d) Eligibility for former TANF child care benefits shall begin the day following the date TANF benefits ended and shall continue for 183 consecutive days.

(e) The parent or caretaker may request child care benefits at any time during the 183-day period after eligibility for TANF ended.

(f) The eligibility agency may not place a child on a waiting list if a former TANF parent or caretaker requests subsidized child care for that child any time prior to 184 calendar days after TANF benefits ended.

(g) A family is not eligible for former TANF benefits if a parent or caretaker is currently disqualified from receiving TANF benefits as specified in §§ 255.1(c) and 275.51 (relating to restitution and disqualification policy; and imposing the disqualification).

§ 3042.112. General requirements for former TANF families.

(a) During the 183-day period after eligibility for TANF benefits ended or after a family voluntarily left the TANF program, a parent or caretaker shall meet the following conditions:

(1) A former TANF parent or caretaker who is not transferred to the eligibility agency by the CAO or who applies for subsidized child care during the 183-day period after eligibility for TANF ended shall meet the work requirement as specified in § 3042.33 (relating to work, education and training).

(2) The family's annual income may not exceed 85% SMI.

(3) The parent or caretaker shall select an eligible child care provider as specified in § 3042.12(a) (relating to parent choice).

(4) The parent or caretaker shall make timely payment of the co-payment as specified in § 3042.91 (relating to general co-payment requirements).

(b) A former TANF parent or caretaker who is transferred to the eligibility agency by the CAO or who applies for subsidized child care during the 183-day period after eligibility for TANF ended as specified in subsection (a) shall not be placed on a waiting list.

(c) The eligibility agency shall complete a redetermination of eligibility and establish the family's next redetermination date as specified in § 3042.101(a) (relating to eligibility redetermination).

§ 3042.113. Notification requirements for former TANF families.

(a) If the eligibility agency determines that a parent or caretaker met the requirements in § 3042.112 (relating to general requirements for former TANF families) and was receiving child care on the date TANF benefits ended, the eligibility agency shall notify the parent or caretaker of the family's eligibility status and the date the 183-day former TANF period will expire.

(b) If the eligibility agency determines that a parent or caretaker was not receiving child care or cannot determine whether the parent or caretaker was receiving child care on the date TANF benefits ended, the eligibility agency shall notify the parent or caretaker by letter of the following:

(1) The parent or caretaker may be eligible for child care benefits.

(2) The parent or caretaker may contact the eligibility agency if child care is needed during the 183-day period after TANF benefits ended.

(3) Eligibility for subsidized child care is assured if the minimum requirements specified in § 3042.112(a) are met.

§ 3042.114. Face-to-face requirements for former TANF families.

(a) When the parent or caretaker contacts the eligibility agency within 183 days after TANF benefits end, the eligibility agency shall inform the parent or caretaker of the requirement to attend a face-to-face meeting with the eligibility agency. The face-to-face meeting shall occur no later than 30 calendar days following the date of the letter unless, on or before the 30th day, the parent or caretaker claims hardship. At the time the parent or

caretaker claims hardship, the eligibility agency may grant an additional 30 days from the date the hardship is claimed for the meeting.

(b) When the parent or caretaker contacts the eligibility agency in response to the letter specified in § 3042.113(b) (relating to notification requirements for former TANF families), the eligibility agency shall schedule a face-to-face meeting with the parent or caretaker. The eligibility agency may substitute a telephone contact for a face-to-face meeting if a face-to-face meeting would cause a hardship for the parent or caretaker.

(c) To maintain continuous child care payment from the day following the date TANF benefits ended, the parent or caretaker shall attend a face-to-face meeting or participate in a telephone contact with the eligibility agency as specified in § 3042.115 (relating to reporting requirements for former TANF families).

(d) The eligibility agency may waive the requirement for the face-to-face meeting if the parent or caretaker has completed a face-to-face meeting with the eligibility agency within the previous 12 months.

§ 3042.115. Reporting requirements for former TANF families.

Either at the time of the parent's or caretaker's face-to-face meeting with the eligibility agency and within the 183-day period after TANF benefits ended or at the time of telephone contact by the eligibility agency with the parent or caretaker and within the 183-day period after TANF benefits ended, the eligibility agency shall:

(1) Require the parent or caretaker who contacts the eligibility agency within 60 calendar days following the date TANF benefits ended to self-certify the following information that was electronically transferred by the CAO:

(i) The need for child care to work or attend education or training and the days and hours for which the child needs care.

(ii) The name of the employer, education or training.

(iii) The hours the parent or caretaker works or attends education or training.

(iv) The accuracy of the facts in the TANF transfer information regarding family address, size and income.

(v) Financial eligibility as specified in § 3042.112(a) (relating to general requirements for former TANF families).

(2) Require the parent or caretaker whose information was unavailable or has changed since the time of the electronic transfer to self-declare the information that was unavailable or has changed.

(3) Require the parent or caretaker who does not contact the eligibility agency within 60 calendar days following the date TANF benefits ended to self-declare the following:

(i) The need for child care to work or attend education or training and the days and hours for which the child needs care.

(ii) The name of the employer, education or training.

(iii) The hours the parent or caretaker works or attends education or training.

(iv) The accuracy of the facts in the TANF transfer information regarding family address, size and income.

(v) Financial eligibility as specified in § 3042.112(a).

(4) Advise the parent or caretaker to report income in excess of 85% of the SMI.

(5) The eligibility agency shall require a parent or caretaker to complete a subsidized child care application under the following circumstances:

(i) The parent or caretaker received TANF benefits in another state.

(ii) The CAO did not have sufficient information to electronically transfer to establish a case file.

(6) Advise the parent or caretaker that the eligibility agency shall complete an eligibility determination or redetermination.

(7) Collect information regarding the parent's or caretaker's choice of provider or help the parent or caretaker to locate an eligible provider.

§ 3042.116. Verification of transfer of TANF benefits.

Documentation by the eligibility agency that indicates the date TANF benefits ended within the State or in another state, as specified in § 3042.120(b) (relating to transfer from other states), is acceptable verification of transfer of TANF benefits within the State or from another state.

§ 3042.117. Failure to contact the eligibility agency following transfer.

(a) If a parent or caretaker who was receiving child care on the date TANF benefits ended fails to contact the eligibility agency in response to the letter specified in § 3042.113(a) (relating to notification requirements for former TANF families), the eligibility agency shall contact the parent or caretaker by telephone no later than 31 calendar days following the date of the letter.

(b) When the eligibility agency contacts the parent or caretaker as specified in subsection (a), the eligibility agency shall determine the following:

(1) The parent's or caretaker's choice to meet the contact requirement using a telephone contact or participating in a face-to-face meeting.

(2) The parent's or caretaker's continuing need for child care.

(c) If the eligibility agency determines that the parent or caretaker was not receiving child care or cannot determine whether the parent or caretaker was receiving child care on the date TANF benefits ended, the eligibility agency may not authorize payment for child care benefits until the date the parent or caretaker contacts the eligibility agency and requests benefits.

(d) If a parent or caretaker who was receiving child care on the date TANF benefits ended does not attend a face-to-face meeting as specified in § 3042.114(a) (relating to face-to-face requirements for former TANF families), the eligibility agency shall contact the parent or caretaker by telephone no later than the day following the date the parent or caretaker failed to attend the face-to-face meeting to determine the information specified in subsection (b).

§ 3042.118. Payment authorization for former TANF families.

(a) The eligibility agency shall review a request from a parent or caretaker to authorize child care payment at any time during the 183-day period after eligibility for TANF benefits ended.

(b) The eligibility agency shall authorize child care payment at any time during the 183-day period after eligibility for TANF ended.

(c) The eligibility agency may not pay child care costs that exceed the maximum child care allowance minus the family co-payment for the type of care the child received from the provider.

§ 3042.119. Retroactive payment for former TANF families.

(a) If the eligibility agency authorizes payment to an eligible provider that is currently participating in the subsidized child care program for a parent or caretaker who was receiving child care on the date TANF benefits ended, the authorization is retroactive to the day following the date TANF benefits ended.

(b) If the eligibility agency determines that the parent or caretaker was not receiving child care or cannot determine whether the parent or caretaker was receiving child care on the date TANF benefits ended, the eligibility agency shall require the parent or caretaker to submit verification of child care costs incurred during the 183-day period after eligibility for TANF ended.

(c) The eligibility agency shall authorize payment to an eligible provider that is currently participating in the subsidized child care program for the parent or caretaker specified in subsection (b) retroactive to the date the parent or caretaker first incurred child care expenses.

(d) If the eligibility agency determines that the parent or caretaker has selected an ineligible provider, it shall inform the parent or caretaker that the parent or caretaker shall contact the eligibility agency to discuss child care arrangements within 30 calendar days as specified in § 3042.12 (relating to parent choice).

§ 3042.120. Transfer from other states.

(a) A parent or caretaker who received TANF program benefits in another state and applies for subsidized child care is eligible if the parent or caretaker meets the following conditions:

(1) The parent or caretaker applies within 183 days after TANF benefits ended.

(2) The parent or caretaker meets the requirements specified in § 3042.112 (relating to general requirements for former TANF families).

(b) The eligibility agency shall determine the date TANF benefits ended in the other state and establish eligibility for the 183-day period after eligibility for TANF ended as specified in § 3042.111 (relating to general provisions for former TANF families).

§ 3042.121. Expiration of TANF benefits.

(a) A parent or caretaker who was receiving child care on the date TANF benefits ended and who has exhausted the 5-year limit on TANF benefits is eligible for up to 92 calendar days of subsidized child care to seek work.

(b) The eligibility agency shall determine the date TANF benefits ended and establish the period of former TANF eligibility as specified in § 3042.111 (relating to general provisions for former TANF families).

(c) The parent or caretaker may apply at any time during the 183-day period after eligibility for TANF ended.

(d) The maximum period of potential eligibility for former TANF child care benefits under this section is 183 days.

§ 3042.122. Verification of expiration of TANF benefits.

Documentation by the eligibility agency that indicates the date TANF benefits expired within the State or in another state, as specified in § 3042.121(b) (relating to expiration of TANF benefits), is acceptable verification of expiration of TANF benefits.

HEAD START

§ 3042.131. General provisions for Head Start.

(a) A child who is enrolled in a Head Start program, whose parent or caretaker needs extended hours or days of child care beyond the hours or days provided by the Head Start program to work, is eligible for subsidized child care under this section if the parent or caretaker meets the eligibility requirements for subsidized child care as specified in subsection (d) each time a child in the family applies for Head Start special eligibility.

(b) The eligibility agency shall verify with the Head Start program that the child is enrolled in a Head Start program that meets Federal and State Head Start standards.

(c) If a child in the family as specified in § 3042.41 (relating to family size) is enrolled in the Head Start program, the family co-payment is based on family size and income. If additional children in the family are enrolled in subsidized child care, the family co-payment is based on family size and income.

(d) If extended hours or days of care are provided beyond the Head Start program hours or days, a facility that has a certificate of compliance by the Department as a child care facility shall provide the extended hours and days of care.

§ 3042.132. Eligibility determination for Head Start.

Upon program entry and continuation in the Head Start special eligibility program, a parent or caretaker shall meet the following conditions:

(1) Verification of a minimum of 20 hours of work per week as specified in § 3042.33 (relating to work, education and training) each time a parent or caretaker applies for a child in the family for the Head Start special eligibility program.

(2) Verification that extended hours and days of child care are needed to work as specified in § 3042.131(a) (relating to general provisions for Head Start).

(3) Verification of income eligibility for subsidized child care as specified in § 3042.31 (relating to financial eligibility) each time a parent or caretaker applies for a child in the family for the Head Start program.

(4) Compliance with the waiting list conditions specified in § 3042.57 (relating to waiting list).

(5) Payment of the co-payment as specified in § 3042.91 (relating to general co-payment requirements).

(6) Report when a child is no longer enrolled in Head Start within 10 calendar days following the date the Head Start enrollment ended.

§ 3042.133. Eligibility redetermination for Head Start.

(a) The eligibility agency may not complete a redetermination prior to the expiration of the 12-month eligibility period as specified in § 3042.101(a) (relating to eligibility redetermination) upon receiving notification that a child is no longer enrolled in a Head Start program.

(b) The eligibility agency shall conduct a redetermination when the child is no longer enrolled in the Head Start program, if the 12-month redetermination period has expired as specified in § 3042.101(a).

(c) The eligibility agency shall conduct a redetermination as specified in § 3042.101 if the family has additional children who are not enrolled in Head Start but receive subsidized child care. A family that includes a child enrolled in a Head Start program and a child who is not enrolled in a Head Start program is subject to redetermination requirements as specified in § 3042.101(a).

(d) Eligibility for a child enrolled in a Head Start program is unrelated to the eligibility of other children in the family who are not enrolled in a Head Start program and receive subsidized child care. Eligibility for a child enrolled in a Head Start program shall continue as specified in this section.

(e) The eligibility agency shall conduct a redetermination between the time a child is no longer enrolled in Early Head Start and the time the child enters Head Start, with the exception of the requirement set forth in subsection (a).

WAIVERS AND PERIODS OF PRESUMPTIVE ELIGIBILITY

§ 3042.141. Domestic and other violence.

(a) The eligibility agency may grant a waiver to a parent or caretaker for the following reasons:

(1) A family member is the victim of past or present domestic or other violence.

(2) A family member is the victim of a threat of past or present domestic or other violence.

(b) The eligibility agency may grant a waiver if compliance with a requirement of this chapter would either make it more difficult for a family or household member to escape domestic violence or place a family or household member at risk of domestic violence.

(c) The following requirements of this chapter may not be waived:

(1) Age of the child as specified in § 3042.11(b) and (c) (relating to provision of subsidized child care).

(2) Income limits as specified in § 3042.31 (relating to financial eligibility).

(3) State residency as specified in § 3042.32 (relating to residence).

(4) The minimum number of hours of work, education or training as specified in § 3042.33 (relating to work, education and training).

(5) Citizenship as specified in § 3042.36 (relating to citizenship).

(6) The number of paid absences as specified in § 3042.18 (relating to absence).

(d) The following may be waived, not to exceed 92 days:

(1) Verification requirements as specified in §§ 3042.61—3042.74 regarding self-certification and verification.

(2) The amount of co-payment as specified in § 3042.98 (relating to co-payment determination).

§ 3042.142. Homelessness.

(a) The eligibility agency may grant a waiver to a parent or caretaker who is experiencing homelessness as defined in § 3042.3 (relating to definitions).

(b) The following requirements of this chapter may not be waived:

(1) Age of the child as specified in § 3042.11(b) and (c) (relating to provision of subsidized child care).

(2) Income limits as specified in § 3042.31 (relating to financial eligibility).

(3) State residency as specified in § 3042.32 (relating to residence).

(4) Citizenship as specified in § 3042.36 (relating to citizenship).

(5) The number of paid absences as specified in § 3042.18 (relating to absences).

(c) The following may be waived, not to exceed 92 days:

(1) Verification requirements as specified in §§ 3042.61—3042.73 regarding self-certification and verification.

(2) The amount of the co-payment as specified in § 3042.98 (regarding to co-payment determination).

(d) At the time of application or redetermination, the eligibility agency may grant a period of presumptive eligibility to a parent or caretaker who is experiencing homelessness.

(e) At the end of the 92-day period, the eligibility agency will complete a full redetermination to establish the 12-month eligibility period and reset the redetermination due date.

§ 3042.143. Leave periods at redetermination.

(a) The eligibility agency may grant a period of presumptive eligibility, as defined in § 3042.3 (relating to definitions), in the following circumstances:

(1) Maternity or family leave as defined under the Family and Medical Leave Act of 1993 (29 U.S.C.A. §§ 2601—2654).

(2) Experiences the onset of a disability that is verified as specified in § 3042.70 (relating to verification of inability to work due to a disability).

(3) A parent or caretaker has a break in work, education or training that does not exceed 92 days.

(b) Upon expiration of the period of presumptive eligibility granted as specified in subsection (a), the parent or caretaker shall submit verification that the parent or caretaker has work, education or training that meets the work-hour requirement as specified in § 3042.33 (relating to work, education and training).

(c) At the end of the 92-day period, the eligibility agency will complete a full redetermination to establish the 12-month eligibility period and reset the redetermination due date.

§ 3042.144. General waiver requirements.

The eligibility agency may grant a waiver to a family experiencing domestic violence or homelessness upon the request of the parent or caretaker as specified in §§ 3042.141 and 3042.142 (relating to domestic and other violence; and homelessness).

§ 3042.145. Time frame for waiver determinations.

The eligibility agency shall act on a parent's or caretaker's waiver request no later than 15 calendar days following the date the parent or caretaker requests the waiver.

§ 3042.146. General verification requirements for waivers.

The Department's form that provides for verification by documentary evidence, third party statement or self-certification is acceptable verification of domestic violence or homelessness.

§ 3042.147. General notification requirements for waivers.

(a) The eligibility agency shall provide written notice to the parent or caretaker regarding the eligibility agency's determination to grant or deny a waiver request. At the request of the parent or caretaker, the eligibility agency shall mail the notice to an alternate address or hand-deliver it to the parent or caretaker.

(b) If the eligibility agency grants the waiver, the notice must include the basis for granting the waiver.

(c) If the eligibility agency denies the waiver, the notice must include the following:

- (1) The basis for the denial.
- (2) The right to appeal the decision and how to appeal as specified in §§ 3042.152 and 3042.161 (relating to notice of right to appeal; and appealable actions).
- (3) The verification the parent or caretaker shall submit for the eligibility agency to grant the waiver and the time frames in which the parent or caretaker shall submit the verification.
- (4) The evidence or information needed to substantiate the waiver request and the time frames in which the parent or caretaker shall provide the information.

NOTIFICATION AND RIGHT TO APPEAL

§ 3042.151. General notification requirements.

(a) The eligibility agency shall notify the parent or caretaker in writing no later than 10 calendar days prior to taking an action that affects the family's eligibility status for subsidized child care or a change in the amount of the family's subsidized child care benefit.

(b) Following the preparation of a written notice, the eligibility agency shall:

- (1) Mail or hand-deliver, within 1 working day of preparation, the original and one copy of the notice to the parent or caretaker.
- (2) Notify the family's child care provider as soon as the family is determined eligible or ineligible for subsidized child care.
- (3) Retain a copy of the notice in the family file as specified in § 3042.84 (relating to family file).

§ 3042.152. Notice of right to appeal.

The following information must be included in the notice of the right to appeal:

- (1) The statement regarding the parent's or caretaker's right to appeal.
- (2) The time frame associated with filing a timely appeal as specified in §§ 3042.164(d) and 3042.166(b) (relating to parent or caretaker rights and responsibilities regarding appeal; and hearing procedures).
- (3) The time frame associated with subsidy continuation as specified in § 3042.163 (relating to subsidy continuation during the appeal process).
- (4) The consequence of filing an appeal untimely.

(5) The responsibility to repay if subsidy continues and the parent or caretaker does not win the appeal.

(6) Instructions regarding how to appeal.

§ 3042.153. Notice of eligibility.

(a) The notice of eligibility must be on a form provided by the Department.

(b) If the eligibility agency determines a family eligible for subsidy upon initial application, at the time of redetermination or at a review of a reported change, the written notification must include the following:

- (1) The amount of the co-payment.
- (2) The parent's or caretaker's responsibility to pay the co-payment as specified in § 3042.91(e) (relating to general co-payment requirements).
- (3) The parent's or caretaker's responsibility to report changes as specified in § 3042.86 (relating to processing reported changes).

(4) The name, address and telephone number of the local legal services office where the parent or caretaker may obtain free legal representation.

(5) The right of the parent or caretaker to appeal the decision and how to appeal as specified in §§ 3042.152 and 3042.161 (relating to notice of right to appeal; and appealable actions).

§ 3042.154. Notice of ineligibility.

(a) The notice of ineligibility must be on a form provided by the Department.

(b) If the eligibility agency determines a family ineligible for subsidy, the written notification must include the following:

- (1) The decision.
- (2) The reason for the decision.
- (3) A citation, and brief explanation in simple, nontechnical language, of the applicable section of this chapter or other applicable law that was the basis for the decision.
- (4) The name, address and telephone number of the local legal services office where the parent or caretaker may obtain free legal representation.

(5) The right of the parent or caretaker to appeal the decision and how to appeal as specified in §§ 3042.152 and 3042.161 (relating to notice of right to appeal; and appealable actions).

§ 3042.155. Notice of adverse action.

(a) The eligibility agency shall send a notice to a parent or caretaker currently receiving subsidy when the eligibility agency proposes to terminate subsidy payment.

(b) The eligibility agency shall prepare a notice of adverse action on a form provided by the Department.

(c) The notice of adverse action must include:

- (1) The decision or proposed action.
- (2) The date the action will occur.
- (3) The reason for the decision or proposed action and information about how to become eligible.

(4) A citation, and brief explanation in simple, nontechnical language, of the applicable section of this chapter or other applicable law that is the basis for the decision or proposed action.

(5) The name, address and telephone number of the local legal services office where the parent or caretaker may obtain free legal representation.

(6) The right of the parent or caretaker to appeal the decision and how to appeal as specified in §§ 3042.152 and 3042.161 (relating to notice of right to appeal; and appealable actions).

§ 3042.156. Notice confirming voluntary withdrawal.

(a) The eligibility agency shall, by written notice to the parent or caretaker, confirm the parent's or caretaker's voluntary withdrawal of a child from subsidized child care.

(b) The notice confirming voluntary withdrawal must be on a form provided by the Department.

(c) The written notice confirming voluntary withdrawal must include the following:

(1) The decision.

(2) The reason for the decision.

(3) A citation, and brief explanation in simple, nontechnical language, of the applicable section of this chapter or other applicable law that was the basis for the decision.

(4) The name, address and telephone number of the local legal services office where the parent or caretaker may obtain free legal representation.

(5) The right of the parent or caretaker to appeal the decision and how to appeal as specified in §§ 3042.152 and 3042.161 (relating to notice of right to appeal; and appealable actions).

§ 3042.157. Notice confirming a change in benefits.

(a) The eligibility agency shall, by written notice to the parent or caretaker, confirm a change in the parent's or caretaker's subsidized child care benefits when the change does not affect the family's eligibility. Changes in benefits include a change in the number of days or hours during which the child is enrolled, subsidy suspension and subsidy disruption.

(b) The notice confirming a change in benefits must be on a form provided by the Department.

(c) The written notice confirming a change in benefits must include the following:

(1) The decision.

(2) The reason for the decision.

(3) A citation, and brief explanation in simple, nontechnical language, of the applicable section of this chapter or other applicable law that was the basis for the decision.

(4) The name, address and telephone number of the local legal services office where the parent or caretaker may obtain free legal representation.

(5) The right of the parent or caretaker to appeal the decision and how to appeal as specified in §§ 3042.152 and 3042.161 (relating to notice of right to appeal; and appealable actions).

§ 3042.158. Notice confirming a change in co-payment.

(a) The eligibility agency shall, by written notice to the parent or caretaker, confirm a change in the family co-payment amount.

(b) The notice confirming a change in co-payment must be on a form provided by the Department.

(c) The written notice confirming a change in co-payment must include the following:

(1) The decision.

(2) The reason for the decision.

(3) A citation, and brief explanation in simple, nontechnical language, of the applicable section of this chapter or other applicable law that was the basis for the decision.

(4) The amount of the co-payment and the date the change in co-payment will become effective.

(5) The name, address and telephone number of the local legal services office where the parent or caretaker may obtain free legal representation.

(6) The right of the parent or caretaker to appeal the decision and how to appeal as specified in §§ 3042.152 and 3042.161 (relating to notice of right to appeal; and appealable actions).

§ 3042.159. Notice of overpayment.

(a) The eligibility agency shall notify the parent or caretaker in writing of an overpayment.

(b) The notice of overpayment must include the following:

(1) The reason for the overpayment as specified in § 3042.171 (relating to overpayment).

(2) The period of the overpayment.

(3) The amount of the overpayment.

(4) An explanation of how the overpayment was calculated.

(5) The repayment methods as specified in § 3042.176 (relating to collection), except in cases of suspected fraud.

(6) The name, address and telephone number of the local legal services office where the parent or caretaker may obtain free legal representation.

(7) The right of the parent or caretaker to appeal the decision on the overpayment and how to appeal as specified in §§ 3042.152 and 3042.161 (relating to notice of right to appeal; and appealable actions).

APPEAL AND HEARING PROCEDURES

§ 3042.161. Appealable actions.

A parent or caretaker has the right to appeal a Departmental or eligibility agency action or failure to act, including the following:

(1) Denial of subsidy, including a period of presumptive eligibility as specified in §§ 3042.142(c) and 3042.143(a) (relating to homelessness; and leave periods at redetermination).

(2) Termination of subsidy.

(3) Computation of the co-payment.

(4) Denial of a request for waiver of a requirement of this chapter based on domestic violence or homelessness as specified in § 3042.141 (relating to domestic and other violence) and § 3042.142.

(5) Failure of the eligibility agency to act upon a request for subsidy within the time limits specified in this chapter.

(6) Subsidy suspension as specified in §§ 3042.18 and 3042.20 (relating to absence; and subsidy suspension).

(7) Subsidy disruption as specified in § 3042.21 (relating to subsidy disruption).

§ 3042.162. Discontinuation of subsidy during the appeal process.

(a) Subsidy is not continued pending a hearing decision if the parent or caretaker appeals the disruption of subsidy when the eligibility agency lacks funding to continue subsidy to a child as specified in § 3042.21 (relating to subsidy disruption).

(b) Subsidy is suspended pending a hearing decision if the parent or caretaker fails to make timely payment of the co-payment.

§ 3042.163. Subsidy continuation during the appeal process.

(a) Subsidy continues at the prior level until the Department hears the appeal and makes a final decision, if the parent or caretaker does the following:

(1) Files an appeal that is postmarked or received no later than 10 calendar days after the date of the written notice.

(2) Appeals for a reason other than disruption of subsidy or a lack of funding.

(b) If subsidy continues as specified in subsection (a), the parent or caretaker shall continue to make timely payment of the co-payment that was in effect prior to issuance of the written notice until the Department makes a final decision as specified in § 3042.91 (relating to general co-payment requirements).

(c) If subsidy continues during the appeal process and the hearing officer finds in favor of the eligibility agency or the Department, the parent or caretaker shall reimburse the Department for the amount of the subsidy or increase in subsidy paid for child care from the proposed effective date of the written notice until the date subsidy is terminated or decreased, based on the final administrative action order.

§ 3042.164. Parent or caretaker rights and responsibilities regarding appeal.

(a) A parent or caretaker appealing a written notice shall submit a written request to the eligibility agency in accordance with Chapter 275 (relating to appeal and fair hearing and administrative disqualification hearings) within 30 calendar days following notification. The parent or caretaker shall specify the reason for the appeal and the current address and a telephone number, if possible, where the parent or caretaker can be reached during the day.

(b) A parent or caretaker may orally appeal. The eligibility agency shall document the date of the oral appeal in the case file. The parent or caretaker shall confirm the oral appeal in writing to the eligibility agency no later than 7 calendar days following the date the parent or caretaker orally requested an appeal.

(c) A parent or caretaker may authorize an adult to represent the parent or caretaker at the hearing.

(d) If the parent or caretaker wants subsidy to continue pending a hearing decision, subject to § 3042.163 (relating to subsidy continuation during the appeal process), the parent or caretaker shall submit a written appeal no later than 10 calendar days following the date the written notice is postmarked or hand-delivered to the parent or caretaker by the eligibility agency.

(e) If the parent or caretaker requests that subsidy continue pending a hearing decision, the parent or caretaker shall make timely payment of the co-payment that was in effect prior to issuance of the written notice until

the Department makes a final decision as specified in § 3042.91 (relating to general co-payment requirements).

§ 3042.165. Eligibility agency responsibilities regarding appeal.

(a) If the parent or caretaker is unable to prepare a written appeal, the eligibility agency shall assist the parent or caretaker in preparing a written appeal. The parent or caretaker shall sign the appeal request.

(b) When the eligibility agency receives an appeal that is timely postmarked or delivered, the eligibility agency shall date-stamp the appeal, the envelope and the attachments with the date of receipt and retain copies of all original appeal information.

(c) The eligibility agency shall keep a copy and forward the original appeal along with the postmarked envelope to the Department's Bureau of Hearings and Appeals no later than 3 working days following the date the appeal is received by the eligibility agency.

(d) The eligibility agency may not take the proposed adverse action until 10 calendar days following the date the written notice is postmarked or hand-delivered to the parent or caretaker and then only if the parent or caretaker has not filed an appeal. Subsidy may be continued at the prior level only if the parent or caretaker meets the requirements in § 3042.163 (relating to subsidy continuation during the appeal process).

(e) The eligibility agency may take the proposed adverse action before 10 calendar days following the date a provider closes for financial difficulties or loss of certification or if funding is not available to continue subsidized care to the child.

§ 3042.166. Hearing procedures.

(a) Chapter 275 (relating to appeal and fair hearing and administrative disqualification hearings) applies to hearings that are held under this chapter, except as specifically superseded by this chapter.

(b) The Department will dismiss an appeal postmarked or received after 30 calendar days from the date the written notice is postmarked or hand-delivered to the parent or caretaker unless one of the provisions allowing for appeals after 30 calendar days applies as specified in § 275.3(b)(2) and (3) (relating to requirements).

(c) The hearing may be conducted by a telephone conference call with the parties to the appeal, including the parent or caretaker, the authorized representative of the parent or caretaker, the eligibility agency, the Department and the hearing officer.

(d) The parent or caretaker has the right to request a face-to-face hearing instead of a telephone hearing. Face-to-face hearings will be held in locations specified by the Department.

(e) If a parent or caretaker does not withdraw an appeal, the eligibility agency, or the Department, if appropriate, will take part in the scheduled hearing to justify the action to which the parent or caretaker objects.

(f) If the eligibility agency or the Department fails to appear at the hearing and the parent or caretaker appears, the parent's or caretaker's appeal will be sustained.

(g) If the parent or caretaker fails to appear for the hearing, regardless of whether the eligibility agency or the Department appears, the appeal is considered abandoned and the decision of the eligibility agency or the Department will be sustained.

(h) The Department will notify the eligibility agency and the parent or caretaker, in writing, when disposition of the appeal is made.

(i) The eligibility agency shall implement the final administrative action within the time limit ordered by the Department or on the first day child care is needed in the week following receipt of the final administrative action order.

OVERPAYMENT AND DISQUALIFICATION

§ 3042.171. Overpayment.

The parent or caretaker may not be required to repay an overpayment except for an overpayment resulting from one of the following:

- (1) Fraud.
- (2) Failure to comply with this chapter.
- (3) Subsidy continuation pending an appeal when the parent or caretaker did not win the appeal.

§ 3042.172. Eligibility agency responsibilities regarding overpayment.

(a) The eligibility agency shall inform a parent or caretaker who files an appeal and requests subsidy continuation pending appeal that, if the hearing decision is in favor of the eligibility agency or the Department, the parent or caretaker shall reimburse the amount of the overpayment unless the hearing officer determines a hardship.

(b) The eligibility agency shall pursue possible overpayments in active and closed cases, including those that were voluntarily closed.

(c) The following are the responsibilities of the eligibility agency when exploring possible overpayments:

- (1) Determination of whether the overpayment is the result of one of the conditions specified in § 3042.171 (relating to overpayment).
- (2) Written assurance that the methods of exploring overpayments are appropriate to the particular situation and to the different eligibility factors.
- (3) Assurance that the methods of exploring overpayments do not infringe on the civil liberties of individuals or interfere with the due process of law.
- (4) Investigation of a credible complaint that a parent or caretaker is erroneously receiving subsidized child care.
- (5) Identification and documentation of the causes of the overpayment.
- (6) Computation of the amount of the overpayment.
- (7) Referral of suspected fraud cases to the Office of Inspector General.
- (8) Submission of an overpayment notice to the parent or caretaker as specified in § 3042.159 (relating to notice of overpayment).

(d) The eligibility agency shall refer all cases of suspected provider fraud to the Office of Inspector General.

§ 3042.173. Delaying recoupment.

(a) Recoupment shall be delayed until after a hearing decision, if the family files an appeal of the overpayment decision no later than 10 calendar days after the date the written notice is postmarked or hand-delivered to the parent or caretaker by the eligibility agency.

(b) Recoupment shall be delayed for cases referred to the Office of Inspector General for suspected fraud until the investigation is complete.

(c) The method of recoupment in cases of suspected fraud will be determined in conjunction with the Office of Inspector General.

§ 3042.174. Notifying the Department.

The eligibility agency shall notify the Department when recoupment stops before the overpayment is fully recouped.

§ 3042.175. Repayment.

The parent or caretaker shall repay the eligibility agency or Department the full amount of the overpayment.

§ 3042.176. Collection.

(a) The eligibility agency shall collect the total amount of the overpayment from a family whose child continues to receive subsidized child care when the eligibility agency identifies an overpayment as specified in § 3042.172 (relating to eligibility agency responsibilities regarding overpayment).

(b) If the Department, eligibility agency or other entity identifies an overpayment unrelated to fraud, subject to repayment as specified in § 3042.171 (relating to overpayment), related to a family whose child continues to receive subsidized child care, the eligibility agency shall:

(1) Notify the parent or caretaker by a letter that a repayment is required, the amount of the repayment and the following repayment options:

- (i) A one-time payment of the full amount owed.
- (ii) A one-time partial payment and an increase in the co-payment to be paid until repayment is complete.
- (iii) An increase in the co-payment until the repayment is complete.

(2) Automatically implement an increase to the co-payment until the repayment is complete when the parent or caretaker does not select an option as specified in paragraph (1) no later than 10 calendar days following the date of the letter.

(3) Notify the parent or caretaker by a second letter of failure to choose a repayment option as specified in paragraph (1), the amount of the increased co-payment and the number of weeks the increased co-payment will continue.

(c) When the Office of Inspector General has determined fraud in an active case, the eligibility agency shall determine collection methods in conjunction with the Office of Inspector General.

§ 3042.177. Co-payment increase related to overpayment.

(a) A co-payment increase for the purpose of collecting an overpayment may not exceed an amount greater than 5% of the family's gross monthly income. If the parent or caretaker indicates to the eligibility agency that an increase to 5% would cause hardship to the family, the family and the eligibility agency may agree to a lesser amount.

(b) A parent or caretaker may choose to increase the co-payment beyond the amount specified in subsection (a) to repay an overpayment in a shorter period of time.

(c) The eligibility agency shall issue a written notice before implementation of an increase in the co-payment.

§ 3042.178. Collection for a family whose child is no longer in care.

(a) The eligibility agency shall collect the total amount of the overpayment as specified in § 3042.172 (relating to eligibility agency responsibilities regarding overpayment) from a family whose child is no longer receiving subsidized child care if the eligibility agency identifies an overpayment.

(b) If the Department, eligibility agency or other entity identifies an overpayment unrelated to fraud, for a family whose child is no longer receiving subsidized child care, the eligibility agency shall:

(1) Notify the Department of the subsidy termination date, the amount of the overpayment recouped and the amount outstanding. The Department will notify the parent or caretaker by letter of the overpayment, the amount of the outstanding overpayment and that repayment is required in either a single payment or under a payment plan agreeable to the parent or caretaker and the eligibility agency. The letter must state that the parent or caretaker has 10 calendar days to respond to the Department indicating agreement or disagreement and indicating the choice of a repayment method.

(2) Send a second letter that repeats the information contained in the letter specified in paragraph (1) when the Department notifies the eligibility agency that the parent or caretaker failed to respond. The second letter must also request a response from the parent or caretaker no later than 10 calendar days following the date of the letter.

(c) When the Office of Inspector General has determined fraud in a case when the child is no longer in care, the eligibility agency shall determine the collection methods in conjunction with the Office of Inspector General.

(d) The Department may institute civil legal proceedings when the parent or caretaker fails to respond to the second letter.

§ 3042.179. Disqualification.

(a) The parent or caretaker is disqualified from participating in the subsidized child care program if one of the following applies:

(1) A Federal or State court finds the parent or caretaker guilty of fraud in applying for or receiving subsidized child care.

(2) A hearing officer determines that the parent or caretaker committed fraud pursuant to the procedures and standards in Chapter 275 (relating to appeal and fair hearing and administrative disqualification hearings).

(3) The parent or caretaker signs a disqualification consent agreement as part of a court's deferred adjudication process.

(4) The parent or caretaker agrees to be disqualified by signing an administrative disqualification hearing waiver.

(b) Upon disqualification under subsection (a), a parent or caretaker and eligible children in the parent's or caretaker's family is prohibited from participation in the subsidized child care program:

(1) For 6 months from the date of the first conviction, hearing decision or determination.

(2) For 12 months from the second conviction, hearing decision or determination.

(3) Permanently from the date of the third conviction, hearing decision or determination.

(c) A parent or caretaker may not be granted a hearing on a court conviction or administrative disqualification hearing decision that led to the disqualification.

APPENDIX A

INCOME TO BE INCLUDED, DEDUCTED AND EXCLUDED IN DETERMINING GROSS MONTHLY INCOME

PART I. INCOME INCLUSIONS.

Income from the following sources is included when determining total gross monthly income:

A. Money, wages or salary earned by a parent or caretaker before deductions for taxes, Social Security, savings bonds, pensions, union dues, health insurance and similar purposes, for work performed as an employee. This includes commissions, tips, piece-rate payments and cash bonuses. Income earned by an unemancipated minor is not included.

B. Armed forces pay, which includes base pay plus cash, but does not include housing subsistence, allowances or the value of rent-free quarters.

C. Voluntary and court-ordered support received for any person in the family.

D. Net income from nonresident and real property, defined as gross receipts minus the expenses for continuing the income, such as depreciation charges, business taxes (not personal income taxes), interest on mortgages, repairs and similar expenses.

E. Social Security benefits, Supplemental Security Income, survivors' benefits and permanent disability insurance payments made by the Social Security Administration before deductions of health insurance premiums.

F. Railroad retirement, disability or survivors' benefit payments made by the United States Government under the Railroad Retirement Act of 1974 (45 U.S.C.A. §§ 231—231v) before deductions of health insurance premiums.

G. State blind pension payments made by the Department.

H. Public assistance benefits or retirement benefits.

I. Private pensions and annuities, including retirement benefits paid to a retired person or their survivors by a former employer or a union, either directly or through an insurance company.

J. Government employee pensions paid by Federal, State, county or other governmental agencies to former employees, including members of the armed forces, or their survivors.

K. Unemployment compensation received from government unemployment insurance agencies or private companies during periods of unemployment and strike benefits received from union funds.

L. Workers' compensation received from private or public insurance companies.

M. Veterans' payments, defined as money paid periodically by the Veterans Administration (VA) to disabled members of the armed forces or to the survivors or dependents of deceased or disabled veterans, subsistence allowances paid to the survivors of deceased veterans and subsistence allowances paid to veterans for education and on-the-job training, as well as so-called "refunds" paid to ex-service persons as GI insurance premiums. For a disabled veteran in the Vocational Rehabilitation Pro-

gram, the subsistence allowance and the veteran's disability allowance are counted as income.

N. Capital gains, profit from S-corporations and dividends, including dividends from stocks, bonds, mutual funds or from membership in an association.

O. Interest on savings and bonds.

P. Income from estates and trust funds.

Q. Net income from royalties.

R. Lump sum cash of more than \$100; inheritances, life insurance benefits; personal injury and other damage awards and settlements; retroactive benefits such as retirement, survivor's or disability insurance and delayed unemployment; divorce settlements; gifts; or workers' compensation.

S. Lump-sum cash lottery winnings or cash prizes of more than \$100.

T. Profit from self-employment, calculated as total gross receipts minus costs of doing business. The costs of doing business shall only include:

(1) Costs of maintaining a place of business, such as rent, utilities, insurance on the business and its property, and property taxes. If a business is operated in a home, the costs of maintaining a place of business are only those costs identified for the part of the home used exclusively for the business.

(2) Interest on the purchase of income-producing equipment and property.

(3) Employee labor costs, such as wage, salaries, taxes, benefits, unemployment compensation or workers' compensation.

(4) Cost of goods sold, supplies and materials.

(5) Advertising costs.

(6) Accounting and legal fees.

(7) Transportation costs necessary to produce income.

U. Net income from room rent or room and board, calculated as follows: Gross income received minus \$10 per month for each room rented. Divide the remainder by 2. That number is the income inclusion.

CONVERSION TABLE

Convert weekly, biweekly, semi-monthly and other pay periods to gross monthly amounts using the following Conversion Table:

<i>Frequency of income</i>	<i>Conversion method</i>
Daily	Multiply the daily income by the number of workdays in a week, then multiply by 4.3.
Weekly	Multiply by 4.3.
Biweekly (every 2 weeks)	Divide by 2, then multiply by 4.3.
Semimonthly (twice per month)	Multiply by 2 for monthly gross income.
Monthly	Use the figure given.
Quarterly	Divide by 3.
Annually	Divide by 12.
Lump sum income	Divide by 12.

PART II. INCOME DEDUCTIONS.

The following are deducted when determining adjusted monthly income:

A. Voluntary or court-ordered support paid by the parent or caretaker or a family member to a present or former spouse not residing in the same household.

B. Voluntary or court-ordered child support paid by the parent or caretaker or family member to a person not residing in the same household.

C. A medical expense not reimbursed through medical insurance that exceeds 10% of the family gross monthly income. The medical expense must have been incurred within the 90-day period prior to the date the parent or caretaker notifies the eligibility agency of that expense and there must be an expectation that the expense will continue to be incurred for the 6 months following the outset of the expense. Medical expenses are based on the monthly expenses or monthly payment plan, or both. Medical expenses include bills for doctors, hospital costs, dental services, health care premiums, institutional care, medications, prosthetic devices, durable medical equipment or mental health services.

D. The stepparent deduction as shown in the Stepparent Deduction Chart in Appendix C.

PART III. INCOME EXCLUSIONS.

Income from the following sources is excluded in determining gross monthly income:

A. Employment earnings of an individual who is an unemancipated minor.

B. Tax refunds, including earned income tax credits.

C. Withdrawals of bank, credit union or brokerage deposits.

D. Money borrowed.

E. Nonrecurring money in amounts under \$100 per person per year, given as a gift, from any source.

F. The value of benefits under the Food Stamp Act of 1977 (7 U.S.C.A. §§ 2011—2036c).

G. The value of foods donated from the United States Department of Agriculture.

H. The value of supplemental foods assistance under the Child Nutrition Act of 1966 (42 U.S.C.A. §§ 1771—1793) and the special food service programs for children under that act.

I. Loans and grants, such as scholarships, obtained and used for conditions that preclude their use for living costs.

J. Any grant or loan to an undergraduate student for educational purposes, made or insured under any program administered under the Higher Education Act of 1965 (20 U.S.C.A. §§ 1001—1161aa-1).

K. Any payment received under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C.A. §§ 4601—4655).

L. Any home produce used for household consumption.

M. Any payment made on behalf of an individual for household expenses, such as rent, food and utilities.

N. Payments to Volunteers in Service to America under the Domestic Volunteer Service Act of 1973 (42 U.S.C.A. §§ 4951—5085), which include AmeriCorps income.

O. Earnings received by any youth under the Workforce Investment Act of 1998, as amended (Pub.L. No. 105-220) or the YouthBuild Program (Pub.L. No. 113-128) (29 U.S.C.A. § 3226).

P. Any foster care payments by a foster care placement agency, including payments to permanent legal custodians.

Q. Stipends derived from the Foster Grandparent Programs under section 211 of the Domestic Violence Service Act of 1973 (42 U.S.C.A. § 5011).

R. Low Income Home Energy Assistance Program (LIHEAP) benefits and cash in-kind energy assistance provided by private agencies and utility companies.

S. Any adoption assistance payments by a county children and youth agency.

T. Income received from Federal student aid or participation in a Federal work-study program.

U. Payments made by the Veterans Administration to children of Vietnam veterans under The Benefits for Children of Vietnam Veterans Act (38 U.S.C.A. §§ 1802—1834).

APPENDIX B

Co-Payment Chart

Family Co-Payment Scale Effective May 4, 2020

(Based on the 2020 Federal Poverty Income Guidelines)

<i>Weekly Co-pay</i>	<i>Family Size: 1 Annual Income</i>		<i>Weekly Co-pay</i>	<i>Family Size: 2 Annual Income</i>		<i>Weekly Co-pay</i>	<i>Family Size: 3 Annual Income</i>	
\$5	Less than:	\$5,997	\$5	Less than:	\$7,090	\$5	Less than:	\$7,656
\$6	\$5,997.01	\$6,747	\$7	\$7,090.01	\$8,103	\$7	\$7,656.01	\$8,932
\$7	\$6,747.01	\$7,497	\$8	\$8,103.01	\$9,116	\$8	\$8,932.01	\$10,208
\$8	\$7,497.01	\$8,246	\$10	\$9,116.01	\$10,129	\$10	\$10,208.01	\$11,484
\$10	\$8,246.01	\$8,996	\$11	\$10,129.01	\$11,141	\$12	\$11,484.01	\$12,761
\$11	\$8,996.01	\$9,745	\$13	\$11,141.01	\$12,154	\$14	\$12,761.01	\$14,037
\$12	\$9,745.01	\$10,495	\$15	\$12,154.01	\$13,167	\$16	\$14,037.01	\$15,313
\$14	\$10,495.01	\$11,245	\$17	\$13,167.01	\$14,180	\$19	\$15,313.01	\$16,589
\$15	\$11,245.01	\$11,994	\$19	\$14,180.01	\$15,193	\$21	\$16,589.01	\$17,865
\$17	\$11,994.01	\$12,744	\$21	\$15,193.01	\$16,206	\$24	\$17,865.01	\$19,141
\$19	\$12,744.01	\$13,494	\$23	\$16,206.01	\$17,218	\$26	\$19,141.01	\$20,417
\$20	\$13,494.01	\$14,243	\$25	\$17,218.01	\$18,231	\$29	\$20,417.01	\$21,693
\$22	\$14,243.01	\$14,993	\$27	\$18,231.01	\$19,244	\$32	\$21,693.01	\$22,969
\$23	\$14,993.01	\$15,743	\$30	\$19,244.01	\$20,257	\$35	\$22,969.01	\$24,245
\$25	\$15,743.01	\$16,492	\$32	\$20,257.01	\$21,270	\$37	\$24,245.01	\$25,521
\$27	\$16,492.01	\$17,242	\$34	\$21,270.01	\$22,283	\$40	\$25,521.01	\$26,797
\$28	\$17,242.01	\$17,992	\$36	\$22,283.01	\$23,296	\$42	\$26,797.01	\$28,073
\$30	\$17,992.01	\$18,741	\$38	\$23,296.01	\$24,308	\$45	\$28,073.01	\$29,349
\$32	\$18,741.01	\$19,491	\$40	\$24,308.01	\$25,321	\$48	\$29,349.01	\$30,625
\$33	\$19,491.01	\$20,241	\$43	\$25,321.01	\$26,334	\$51	\$30,625.01	\$31,901
\$35	\$20,241.01	\$20,990	\$45	\$26,334.01	\$27,347	\$54	\$31,901.01	\$33,177
\$37	\$20,990.01	\$21,740	\$48	\$27,347.01	\$28,360	\$57	\$33,177.01	\$34,453
\$39	\$21,740.01	\$22,490	\$50	\$28,360.01	\$29,373	\$60	\$34,453.01	\$35,729
\$41	\$22,490.01	\$23,239	\$53	\$29,373.01	\$30,386	\$63	\$35,729.01	\$37,005
\$43	\$23,239.01	\$23,989	\$55	\$30,386.01	\$31,398	\$66	\$37,005.01	\$38,282
\$45	\$23,989.01	\$24,738	\$58	\$31,398.01	\$32,411	\$70	\$38,282.01	\$39,558
\$47	\$24,738.01	\$25,488	\$61	\$32,411.01	\$33,424	\$73	\$39,558.01	\$40,834
\$49	\$25,488.01	\$26,238	\$64	\$33,424.01	\$34,437	\$77	\$40,834.01	\$42,110
\$51	\$26,238.01	\$26,987	\$66	\$34,437.01	\$35,450	\$80	\$42,110.01	\$43,386
\$53	\$26,987.01	\$27,737	\$69	\$35,450.01	\$36,463	\$84	\$43,386.01	\$44,662
\$56	\$27,737.01	\$28,487	\$72	\$36,463.01	\$37,475	\$87	\$44,662.01	\$45,938
\$58	\$28,487.01	\$29,236	\$75	\$37,475.01	\$38,488	\$91	\$45,938.01	\$47,214

PROPOSED RULEMAKING

6393

<i>Weekly Co-pay</i>	<i>Family Size: 1 Annual Income</i>		<i>Weekly Co-pay</i>	<i>Family Size: 2 Annual Income</i>		<i>Weekly Co-pay</i>	<i>Family Size: 3 Annual Income</i>	
\$60	\$29,236.01	\$29,986	\$78	\$38,488.01	\$39,501	\$95	\$47,214.01	\$48,490
	200% FPIG	\$25,520	\$81	\$39,501.01	\$40,514	\$99	\$48,490.01	\$49,766
				200% FPIG	\$34,480	\$102	\$49,766.01	\$51,042
							200% FPIG	\$43,440

<i>Weekly Co-pay</i>	<i>Family Size: 4 Annual Income</i>		<i>Weekly Co-pay</i>	<i>Family Size: 5 Annual Income</i>		<i>Weekly Co-pay</i>	<i>Family Size: 6 Annual Income</i>	
\$5	Less than:	\$7,696	\$5	Less than:	\$7,210	\$5	Less than:	\$8,263
\$6	\$7,696.01	\$9,236	\$6	\$7,210.01	\$9,012	\$7	\$8,263.01	\$10,328
\$8	\$9,236.01	\$10,775	\$8	\$9,012.01	\$10,815	\$9	\$10,328.01	\$12,394
\$10	\$10,775.01	\$12,314	\$10	\$10,815.01	\$12,617	\$11	\$12,394.01	\$14,460
\$12	\$12,314.01	\$13,853	\$12	\$12,617.01	\$14,420	\$14	\$14,460.01	\$16,525
\$15	\$13,853.01	\$15,393	\$14	\$14,420.01	\$16,222	\$17	\$16,525.01	\$18,591
\$17	\$15,393.01	\$16,932	\$17	\$16,222.01	\$18,025	\$20	\$18,591.01	\$20,657
\$20	\$16,932.01	\$18,471	\$20	\$18,025.01	\$19,827	\$23	\$20,657.01	\$22,722
\$22	\$18,471.01	\$20,010	\$23	\$19,827.01	\$21,629	\$26	\$22,722.01	\$24,788
\$25	\$20,010.01	\$21,550	\$26	\$21,629.01	\$23,432	\$30	\$24,788.01	\$26,853
\$28	\$21,550.01	\$23,089	\$30	\$23,432.01	\$25,234	\$34	\$26,853.01	\$28,919
\$32	\$23,089.01	\$24,628	\$33	\$25,234.01	\$27,037	\$38	\$28,919.01	\$30,985
\$35	\$24,628.01	\$26,167	\$37	\$27,037.01	\$28,839	\$43	\$30,985.01	\$33,050
\$39	\$26,167.01	\$27,707	\$41	\$28,839.01	\$30,642	\$47	\$33,050.01	\$35,116
\$42	\$27,707.01	\$29,246	\$45	\$30,642.01	\$32,444	\$52	\$35,116.01	\$37,182
\$45	\$29,246.01	\$30,785	\$49	\$32,444.01	\$34,247	\$56	\$37,182.01	\$39,247
\$48	\$30,785.01	\$32,324	\$53	\$34,247.01	\$36,049	\$60	\$39,247.01	\$41,313
\$51	\$32,324.01	\$33,864	\$56	\$36,049.01	\$37,851	\$64	\$41,313.01	\$43,379
\$55	\$33,864.01	\$35,403	\$60	\$37,851.01	\$39,654	\$69	\$43,379.01	\$45,444
\$58	\$35,403.01	\$36,942	\$64	\$39,654.01	\$41,456	\$73	\$45,444.01	\$47,510
\$61	\$36,942.01	\$38,481	\$68	\$41,456.01	\$43,259	\$78	\$47,510.01	\$49,576
\$65	\$38,481.01	\$40,021	\$72	\$43,259.01	\$45,061	\$83	\$49,576.01	\$51,641
\$69	\$40,021.01	\$41,560	\$76	\$45,061.01	\$46,864	\$87	\$51,641.01	\$53,707
\$72	\$41,560.01	\$43,099	\$80	\$46,864.01	\$48,666	\$92	\$53,707.01	\$55,773
\$76	\$43,099.01	\$44,638	\$85	\$48,666.01	\$50,469	\$97	\$55,773.01	\$57,838
\$80	\$44,638.01	\$46,178	\$89	\$50,469.01	\$52,271	\$102	\$57,838.01	\$59,904
\$84	\$46,178.01	\$47,717	\$94	\$52,271.01	\$54,074	\$108	\$59,904.01	\$61,970
\$88	\$47,717.01	\$49,256	\$99	\$54,074.01	\$55,876	\$113	\$61,970.01	\$64,035
\$92	\$49,256.01	\$50,795	\$103	\$55,876.01	\$57,678	\$118	\$64,035.01	\$66,101
\$97	\$50,795.01	\$52,335	\$108	\$57,678.01	\$59,481	\$124	\$66,101.01	\$68,166
\$101	\$52,335.01	\$53,874	\$113	\$59,481.01	\$61,283	\$130	\$68,166.01	\$70,232
\$105	\$53,874.01	\$55,413	\$118	\$61,283.01	\$63,086	\$135	\$70,232.01	\$72,298
\$110	\$55,413.01	\$56,952	\$123	\$63,086.01	\$64,888	\$141	\$72,298.01	\$74,363
\$114	\$56,952.01	\$58,492	\$128	\$64,888.01	\$66,691	\$147	\$74,363.01	\$76,429
\$119	\$58,492.01	\$60,031	\$134	\$66,691.01	\$68,493	\$153	\$76,429.01	\$78,495
\$124	\$60,031.01	\$61,570	\$139	\$68,493.01	\$70,296	\$159	\$78,495.01	\$80,560
	200% FPIG	\$52,400	\$145	\$70,296.01	\$72,098	\$166	\$80,560.01	\$82,626
				200% FPIG	\$61,360		200% FPIG	\$70,320

PROPOSED RULEMAKING

Weekly Co-pay	Family Size: 7 Annual Income		Weekly Co-pay	Family Size: 8 Annual Income		Weekly Co-pay	Family Size: 9 Annual Income	
\$5	Less than:	\$9,315	\$5	Less than:	\$7,776	\$5	Less than:	\$8,566
\$7	\$9,315.01	\$11,644	\$6	\$7,776.01	\$10,368	\$6	\$8,566.01	\$11,421
\$10	\$11,644.01	\$13,973	\$8	\$10,368.01	\$12,960	\$9	\$11,421.01	\$14,276
\$13	\$13,973.01	\$16,302	\$11	\$12,960.01	\$15,552	\$12	\$14,276.01	\$17,132
\$15	\$16,302.01	\$18,631	\$14	\$15,552.01	\$18,144	\$15	\$17,132.01	\$19,987
\$19	\$18,631.01	\$20,960	\$17	\$18,144.01	\$20,736	\$19	\$19,987.01	\$22,842
\$22	\$20,960.01	\$23,289	\$21	\$20,736.01	\$23,328	\$23	\$22,842.01	\$25,697
\$26	\$23,289.01	\$25,617	\$25	\$23,328.01	\$25,921	\$27	\$25,697.01	\$28,553
\$30	\$25,617.01	\$27,946	\$29	\$25,921.01	\$28,513	\$32	\$28,553.01	\$31,408
\$34	\$27,946.01	\$30,275	\$33	\$28,513.01	\$31,105	\$36	\$31,408.01	\$34,263
\$38	\$30,275.01	\$32,604	\$38	\$31,105.01	\$33,697	\$42	\$34,263.01	\$37,118
\$43	\$32,604.01	\$34,933	\$43	\$33,697.01	\$36,289	\$47	\$37,118.01	\$39,974
\$48	\$34,933.01	\$37,262	\$48	\$36,289.01	\$38,881	\$53	\$39,974.01	\$42,829
\$53	\$37,262.01	\$39,590	\$53	\$38,881.01	\$41,473	\$59	\$42,829.01	\$45,684
\$59	\$39,590.01	\$41,919	\$59	\$41,473.01	\$44,065	\$65	\$45,684.01	\$48,539
\$63	\$41,919.01	\$44,248	\$65	\$44,065.01	\$46,657	\$72	\$48,539.01	\$51,395
\$68	\$44,248.01	\$46,577	\$70	\$46,657.01	\$49,249	\$77	\$51,395.01	\$54,250
\$73	\$46,577.01	\$48,906	\$76	\$49,249.01	\$51,841	\$83	\$54,250.01	\$57,105
\$78	\$48,906.01	\$51,235	\$81	\$51,841.01	\$54,433	\$89	\$57,105.01	\$59,960
\$83	\$51,235.01	\$53,564	\$86	\$54,433.01	\$57,025	\$95	\$59,960.01	\$62,816
\$88	\$53,564.01	\$55,892	\$92	\$57,025.01	\$59,617	\$101	\$62,816.01	\$65,671
\$93	\$55,892.01	\$58,221	\$98	\$59,617.01	\$62,209	\$108	\$65,671.01	\$68,526
\$98	\$58,221.01	\$60,550	\$104	\$62,209.01	\$64,801	\$114	\$68,526.01	\$71,381
\$104	\$60,550.01	\$62,879	\$110	\$64,801.01	\$67,393	\$121	\$71,381.01	\$74,237
\$110	\$62,879.01	\$65,208	\$116	\$67,393.01	\$69,985	\$127	\$74,237.01	\$77,092
\$115	\$65,208.01	\$67,537	\$122	\$69,985.01	\$72,577	\$134	\$77,092.01	\$79,947
\$121	\$67,537.01	\$69,866	\$128	\$72,577.01	\$75,169	\$141	\$79,947.01	\$82,802
\$127	\$69,866.01	\$72,194	\$135	\$75,169.01	\$77,762	\$149	\$82,802.01	\$85,658
\$133	\$72,194.01	\$74,523	\$142	\$77,762.01	\$80,354	\$156	\$85,658.01	\$88,513
\$140	\$74,523.01	\$76,852	\$148	\$80,354.01	\$82,946	\$164	\$88,513.01	\$91,368
\$146	\$76,852.01	\$79,181	\$155	\$82,946.01	\$85,538	\$171	\$91,368.01	\$94,223
\$153	\$79,181.01	\$81,510	\$163	\$85,538.01	\$88,130	\$179	\$94,223.01	\$97,079
\$159	\$81,510.01	\$83,839	\$170	\$88,130.01	\$90,722	\$187	\$97,079.01	\$99,934
\$166	\$83,839.01	\$86,167	\$177	\$90,722.01	\$93,314	\$195	\$99,934.01	\$102,789
\$173	\$86,167.01	\$88,496	\$185	\$93,314.01	\$95,906	\$203	\$102,789.01	\$105,644
\$180	\$88,496.01	\$90,825	\$192	\$95,906.01	\$98,498	\$212	\$105,644.01	\$108,500
\$187	\$90,825.01	\$93,154	\$200	\$98,498.01	\$101,090	\$220	\$108,500.01	\$111,355
	200% FPIG	\$79,280	\$208	\$101,090.01	\$103,682	\$229	\$111,355.01	\$114,210
				200% FPIG	\$88,240		200% FPIG	\$97,200

Weekly Co-pay	Family Size: 10 Annual Income		Weekly Co-pay	Family Size: 11 Annual Income		Weekly Co-pay	Family Size: 12 Annual Income	
\$5	Less than:	\$9,355	\$5	Less than:	\$10,145	\$5	Less than:	\$10,935
\$7	\$9,355.01	\$12,474	\$7	\$10,145.01	\$13,527	\$8	\$10,935.01	\$14,579
\$10	\$12,474.01	\$15,592	\$11	\$13,527.01	\$16,908	\$12	\$14,579.01	\$18,224
\$13	\$15,592.01	\$18,711	\$14	\$16,908.01	\$20,290	\$15	\$18,224.01	\$21,869
\$17	\$18,711.01	\$21,829	\$18	\$20,290.01	\$23,672	\$20	\$21,869.01	\$25,514

PROPOSED RULEMAKING

6395

<i>Weekly Co-pay</i>	<i>Family Size: 10 Annual Income</i>		<i>Weekly Co-pay</i>	<i>Family Size: 11 Annual Income</i>		<i>Weekly Co-pay</i>	<i>Family Size: 12 Annual Income</i>	
\$21	\$21,829.01	\$24,948	\$22	\$23,672.01	\$27,053	\$24	\$25,514.01	\$29,159
\$25	\$24,948.01	\$28,066	\$27	\$27,053.01	\$30,435	\$29	\$29,159.01	\$32,804
\$30	\$28,066.01	\$31,185	\$32	\$30,435.01	\$33,817	\$35	\$32,804.01	\$36,449
\$35	\$31,185.01	\$34,303	\$37	\$33,817.01	\$37,198	\$40	\$36,449.01	\$40,093
\$40	\$34,303.01	\$37,421	\$43	\$37,198.01	\$40,580	\$47	\$40,093.01	\$43,738
\$45	\$37,421.01	\$40,540	\$49	\$40,580.01	\$43,961	\$53	\$43,738.01	\$47,383
\$51	\$40,540.01	\$43,658	\$56	\$43,961.01	\$47,343	\$60	\$47,383.01	\$51,028
\$58	\$43,658.01	\$46,777	\$63	\$47,343.01	\$50,725	\$67	\$51,028.01	\$54,673
\$64	\$46,777.01	\$49,895	\$70	\$50,725.01	\$54,106	\$75	\$54,673.01	\$58,318
\$71	\$49,895.01	\$53,014	\$77	\$54,106.01	\$57,488	\$83	\$58,318.01	\$61,962
\$79	\$53,014.01	\$56,132	\$85	\$57,488.01	\$60,870	\$92	\$61,962.01	\$65,607
\$85	\$56,132.01	\$59,251	\$92	\$60,870.01	\$64,251	\$99	\$65,607.01	\$69,252
\$91	\$59,251.01	\$62,369	\$99	\$64,251.01	\$67,633	\$106	\$69,252.01	\$72,897
\$97	\$62,369.01	\$65,487	\$105	\$67,633.01	\$71,015	\$114	\$72,897.01	\$76,542
\$104	\$65,487.01	\$68,606	\$113	\$71,015.01	\$74,396	\$121	\$76,542.01	\$80,187
\$111	\$68,606.01	\$71,724	\$120	\$74,396.01	\$77,778	\$129	\$80,187.01	\$83,832
\$117	\$71,724.01	\$74,843	\$127	\$77,778.01	\$81,160	\$137	\$83,832.01	\$87,476
\$125	\$74,843.01	\$77,961	\$135	\$81,160.01	\$84,541	\$146	\$87,476.01	\$91,121
\$132	\$77,961.01	\$81,080	\$143	\$84,541.01	\$87,923	\$154	\$91,121.01	\$94,766
\$139	\$81,080.01	\$84,198	\$151	\$87,923.01	\$91,305	\$163	\$94,766.01	\$98,411
\$147	\$84,198.01	\$87,317	\$159	\$91,305.01	\$94,686	\$172	\$98,411.01	\$102,056
\$154	\$87,317.01	\$90,435	\$168	\$94,686.01	\$98,068	\$181	\$102,056.01	\$105,701
\$162	\$90,435.01	\$93,554	\$176	\$98,068.01	\$101,450	\$190	\$105,701.01	\$109,346
\$170	\$93,554.01	\$96,672	\$185	\$101,450.01	\$104,831	\$199	\$109,346.01	\$112,990
\$179	\$96,672.01	\$99,790	\$194	\$104,831.01	\$108,213	\$209	\$112,990.01	\$116,635
\$187	\$99,790.01	\$102,909	\$203	\$108,213.01	\$111,594	\$219	\$116,635.01	\$120,280
\$196	\$102,909.01	\$106,027	\$212	\$111,594.01	\$114,976	\$229	\$120,280.01	\$123,925
\$204	\$106,027.01	\$109,146	\$222	\$114,976.01	\$118,358	\$239	\$123,925.01	\$127,570
\$213	\$109,146.01	\$112,264	\$231	\$118,358.01	\$121,739	\$249	\$127,570.01	\$131,215
\$222	\$112,264.01	\$115,383	\$241	\$121,739.01	\$125,121	\$260	\$131,215.01	\$134,859
\$231	\$115,383.01	\$118,501	\$251	\$125,121.01	\$128,503	\$270	\$134,859.01	\$138,504
\$241	\$118,501.01	\$121,620	\$261	\$128,503.01	\$131,884	\$281	\$138,504.01	\$142,149
\$250	\$121,620.01	\$124,738	\$271	\$131,884.01	\$135,266	\$292	\$142,149.01	\$145,794
	200% FPIG	\$106,160		200% FPIG	\$115,120		200% FPIG	\$124,080

<i>Weekly Co-pay</i>	<i>Family Size: 13 Annual Income</i>		<i>Weekly Co-pay</i>	<i>Family Size: 14 Annual Income</i>		<i>Weekly Co-pay</i>	<i>Family Size: 15 Annual Income</i>	
\$5	Less than:	\$11,724	\$5	Less than:	\$8,343	\$5	Less than:	\$8,869
\$9	\$11,724.01	\$15,632	\$6	\$8,343.01	\$12,514	\$6	\$8,869.01	\$13,303
\$12	\$15,632.01	\$19,540	\$9	\$12,514.01	\$16,685	\$10	\$13,303.01	\$17,738
\$16	\$19,540.01	\$23,448	\$13	\$16,685.01	\$20,856	\$14	\$17,738.01	\$22,172
\$21	\$23,448.01	\$27,356	\$18	\$20,856.01	\$25,028	\$19	\$22,172.01	\$26,607
\$26	\$27,356.01	\$31,264	\$22	\$25,028.01	\$29,199	\$24	\$26,607.01	\$31,041
\$31	\$31,264.01	\$35,172	\$28	\$29,199.01	\$33,370	\$29	\$31,041.01	\$35,476
\$37	\$35,172.01	\$39,081	\$33	\$33,370.01	\$37,541	\$36	\$35,476.01	\$39,910
\$43	\$39,081.01	\$42,989	\$40	\$37,541.01	\$41,713	\$42	\$39,910.01	\$44,345
\$50	\$42,989.01	\$46,897	\$46	\$41,713.01	\$45,884	\$49	\$44,345.01	\$48,779

PROPOSED RULEMAKING

<i>Weekly Co-pay</i>	<i>Family Size: 13 Annual Income</i>		<i>Weekly Co-pay</i>	<i>Family Size: 14 Annual Income</i>		<i>Weekly Co-pay</i>	<i>Family Size: 15 Annual Income</i>	
\$57	\$46,897.01	\$50,805	\$53	\$45,884.01	\$50,055	\$57	\$48,779.01	\$53,213
\$64	\$50,805.01	\$54,713	\$61	\$50,055.01	\$54,226	\$65	\$53,213.01	\$57,648
\$72	\$54,713.01	\$58,621	\$69	\$54,226.01	\$58,398	\$73	\$57,648.01	\$62,082
\$81	\$58,621.01	\$62,529	\$77	\$58,398.01	\$62,569	\$82	\$62,082.01	\$66,517
\$89	\$62,529.01	\$66,437	\$86	\$62,569.01	\$66,740	\$91	\$66,517.01	\$70,951
\$98	\$66,437.01	\$70,345	\$95	\$66,740.01	\$70,911	\$101	\$70,951.01	\$75,386
\$106	\$70,345.01	\$74,253	\$105	\$70,911.01	\$75,083	\$112	\$75,386.01	\$79,820
\$114	\$74,253.01	\$78,161	\$113	\$75,083.01	\$79,254	\$120	\$79,820.01	\$84,255
\$122	\$78,161.01	\$82,069	\$122	\$79,254.01	\$83,425	\$129	\$84,255.01	\$88,689
\$130	\$82,069.01	\$85,977	\$130	\$83,425.01	\$87,596	\$138	\$88,689.01	\$93,123
\$139	\$85,977.01	\$89,885	\$139	\$87,596.01	\$91,768	\$148	\$93,123.01	\$97,558
\$147	\$89,885.01	\$93,793	\$148	\$91,768.01	\$95,939	\$157	\$97,558.01	\$101,992
\$156	\$93,793.01	\$97,701	\$157	\$95,939.01	\$100,110	\$167	\$101,992.01	\$106,427
\$165	\$97,701.01	\$101,609	\$167	\$100,110.01	\$104,281	\$177	\$106,427.01	\$110,861
\$174	\$101,609.01	\$105,517	\$176	\$104,281.01	\$108,453	\$187	\$110,861.01	\$115,296
\$184	\$105,517.01	\$109,425	\$186	\$108,453.01	\$112,624	\$198	\$115,296.01	\$119,730
\$194	\$109,425.01	\$113,333	\$196	\$112,624.01	\$116,795	\$209	\$119,730.01	\$124,165
\$203	\$113,333.01	\$117,242	\$207	\$116,795.01	\$120,966	\$220	\$124,165.01	\$128,599
\$214	\$117,242.01	\$121,150	\$217	\$120,966.01	\$125,138	\$231	\$128,599.01	\$133,034
\$224	\$121,150.01	\$125,058	\$228	\$125,138.01	\$129,309	\$242	\$133,034.01	\$137,468
\$234	\$125,058.01	\$128,966	\$239	\$129,309.01	\$133,480	\$254	\$137,468.01	\$141,902
\$245	\$128,966.01	\$132,874	\$250	\$133,480.01	\$137,651	\$266	\$141,902.01	\$146,337
\$256	\$132,874.01	\$136,782	\$262	\$137,651.01	\$141,823	\$278	\$146,337.01	\$150,771
\$267	\$136,782.01	\$140,690	\$273	\$141,823.01	\$145,994	\$290	\$150,771.01	\$155,206
\$278	\$140,690.01	\$144,598	\$285	\$145,994.01	\$150,165	\$303	\$155,206.01	\$159,640
\$290	\$144,598.01	\$148,506	\$297	\$150,165.01	\$154,336	\$316	\$159,640.01	\$164,075
\$302	\$148,506.01	\$152,414	\$309	\$154,336.01	\$158,508	\$329	\$164,075.01	\$168,509
\$314	\$152,414.01	\$156,322	\$322	\$158,508.01	\$162,679	\$342	\$168,509.01	\$172,944
	200% FPIG	\$133,040	\$335	\$162,679.01	\$166,850	\$356	\$172,944.01	\$177,378
				200% FPIG	\$142,000		200% FPIG	\$150,960

<i>Weekly Co-pay</i>	<i>Family Size: 16 Annual Income</i>		<i>Weekly Co-pay</i>	<i>Family Size: 17 Annual Income</i>		<i>Weekly Co-pay</i>	<i>Family Size: 18 Annual Income</i>	
\$5	Less than:	\$9,395	\$5	Less than:	\$9,922	\$5	Less than:	\$10,448
\$6	\$9,395.01	\$14,093	\$7	\$9,922.01	\$14,883	\$7	\$10,448.01	\$15,672
\$10	\$14,093.01	\$18,791	\$11	\$14,883.01	\$19,843	\$12	\$15,672.01	\$20,896
\$15	\$18,791.01	\$23,488	\$16	\$19,843.01	\$24,804	\$16	\$20,896.01	\$26,120
\$20	\$23,488.01	\$28,186	\$21	\$24,804.01	\$29,765	\$22	\$26,120.01	\$31,344
\$25	\$28,186.01	\$32,884	\$27	\$29,765.01	\$34,726	\$28	\$31,344.01	\$36,568
\$31	\$32,884.01	\$37,581	\$33	\$34,726.01	\$39,687	\$35	\$36,568.01	\$41,792
\$38	\$37,581.01	\$42,279	\$40	\$39,687.01	\$44,648	\$42	\$41,792.01	\$47,016
\$45	\$42,279.01	\$46,977	\$47	\$44,648.01	\$49,609	\$50	\$47,016.01	\$52,241
\$52	\$46,977.01	\$51,674	\$55	\$49,609.01	\$54,569	\$58	\$52,241.01	\$57,465
\$60	\$51,674.01	\$56,372	\$63	\$54,569.01	\$59,530	\$67	\$57,465.01	\$62,689
\$68	\$56,372.01	\$61,069	\$72	\$59,530.01	\$64,491	\$76	\$62,689.01	\$67,913
\$77	\$61,069.01	\$65,767	\$82	\$64,491.01	\$69,452	\$86	\$67,913.01	\$73,137
\$87	\$65,767.01	\$70,465	\$92	\$69,452.01	\$74,413	\$97	\$73,137.01	\$78,361

PROPOSED RULEMAKING

6397

Weekly Co-pay	Family Size: 16 Annual Income		Weekly Co-pay	Family Size: 17 Annual Income		Weekly Co-pay	Family Size: 18 Annual Income	
\$97	\$70,465.01	\$75,162	\$102	\$74,413.01	\$79,374	\$108	\$78,361.01	\$83,585
\$107	\$75,162.01	\$79,860	\$113	\$79,374.01	\$84,334	\$119	\$83,585.01	\$88,809
\$118	\$79,860.01	\$84,558	\$125	\$84,334.01	\$89,295	\$132	\$88,809.01	\$94,033
\$127	\$84,558.01	\$89,255	\$135	\$89,295.01	\$94,256	\$142	\$94,033.01	\$99,257
\$137	\$89,255.01	\$93,953	\$145	\$94,256.01	\$99,217	\$152	\$99,257.01	\$104,481
\$147	\$93,953.01	\$98,651	\$155	\$99,217.01	\$104,178	\$163	\$104,481.01	\$109,705
\$156	\$98,651.01	\$103,348	\$165	\$104,178.01	\$109,139	\$174	\$109,705.01	\$114,929
\$167	\$103,348.01	\$108,046	\$176	\$109,139.01	\$114,100	\$185	\$114,929.01	\$120,153
\$177	\$108,046.01	\$112,744	\$187	\$114,100.01	\$119,060	\$197	\$120,153.01	\$125,377
\$188	\$112,744.01	\$117,441	\$198	\$119,060.01	\$124,021	\$209	\$125,377.01	\$130,601
\$199	\$117,441.01	\$122,139	\$210	\$124,021.01	\$128,982	\$221	\$130,601.01	\$135,825
\$210	\$122,139.01	\$126,837	\$221	\$128,982.01	\$133,943	\$233	\$135,825.01	\$141,049
\$221	\$126,837.01	\$131,534	\$233	\$133,943.01	\$138,904	\$246	\$141,049.01	\$146,273
\$233	\$131,534.01	\$136,232	\$246	\$138,904.01	\$143,865	\$259	\$146,273.01	\$151,497
\$245	\$136,232.01	\$140,930	\$258	\$143,865.01	\$148,826	\$272	\$151,497.01	\$156,722
\$257	\$140,930.01	\$145,627	\$271	\$148,826.01	\$153,786	\$285	\$156,722.01	\$161,946
\$269	\$145,627.01	\$150,325	\$284	\$153,786.01	\$158,747	\$299	\$161,946.01	\$167,170
\$282	\$150,325.01	\$155,022	\$298	\$158,747.01	\$163,708	\$313	\$167,170.01	\$172,394
\$295	\$155,022.01	\$159,720	\$311	\$163,708.01	\$168,669	\$328	\$172,394.01	\$177,618
\$308	\$159,720.01	\$164,418	\$325	\$168,669.01	\$173,630	\$342	\$177,618.01	\$182,842
\$321	\$164,418.01	\$169,115	\$339	\$173,630.01	\$178,591	\$357	\$182,842.01	\$188,066
\$335	\$169,115.01	\$173,813	\$353	\$178,591.01	\$183,551	\$372	\$188,066.01	\$193,290
\$349	\$173,813.01	\$178,511	\$368	\$183,551.01	\$188,512	\$388	\$193,290.01	\$198,514
\$363	\$178,511.01	\$183,208	\$383	\$188,512.01	\$193,473	\$403	\$198,514.01	\$203,738
\$377	\$183,208.01	\$187,906	\$398	\$193,473.01	\$198,434	\$419	\$203,738.01	\$208,962
	200% FPIG	\$159,920		200% FPIG	\$168,880		200% FPIG	\$177,840

Weekly Co-pay	Family Size: 19 Annual Income		Weekly Co-pay	Family Size: 20 Annual Income		Weekly Co-pay	Family Size: 21 Annual Income	
\$5	Less than:	\$10,975	\$5	Less than:	\$11,501	\$5	Less than:	\$12,027
\$7	\$10,975.01	\$16,462	\$8	\$11,501.01	\$17,251	\$8	\$12,027.01	\$18,041
\$12	\$16,462.01	\$21,949	\$13	\$17,251.01	\$23,002	\$13	\$18,041.01	\$24,055
\$17	\$21,949.01	\$27,436	\$18	\$23,002.01	\$28,752	\$19	\$24,055.01	\$30,068
\$23	\$27,436.01	\$32,924	\$24	\$28,752.01	\$34,503	\$25	\$30,068.01	\$36,082
\$29	\$32,924.01	\$38,411	\$31	\$34,503.01	\$40,253	\$32	\$36,082.01	\$42,096
\$36	\$38,411.01	\$43,898	\$38	\$40,253.01	\$46,004	\$40	\$42,096.01	\$48,109
\$44	\$43,898.01	\$49,385	\$46	\$46,004.01	\$51,754	\$48	\$48,109.01	\$54,123
\$52	\$49,385.01	\$54,873	\$55	\$51,754.01	\$57,505	\$57	\$54,123.01	\$60,137
\$61	\$54,873.01	\$60,360	\$64	\$57,505.01	\$63,255	\$67	\$60,137.01	\$66,150
\$70	\$60,360.01	\$65,847	\$73	\$63,255.01	\$69,005	\$77	\$66,150.01	\$72,164
\$80	\$65,847.01	\$71,334	\$84	\$69,005.01	\$74,756	\$88	\$72,164.01	\$78,177
\$90	\$71,334.01	\$76,822	\$95	\$74,756.01	\$80,506	\$99	\$78,177.01	\$84,191
\$102	\$76,822.01	\$82,309	\$106	\$80,506.01	\$86,257	\$111	\$84,191.01	\$90,205
\$113	\$82,309.01	\$87,796	\$119	\$86,257.01	\$92,007	\$124	\$90,205.01	\$96,218
\$125	\$87,796.01	\$93,283	\$131	\$92,007.01	\$97,758	\$137	\$96,218.01	\$102,232
\$138	\$93,283.01	\$98,771	\$145	\$97,758.01	\$103,508	\$151	\$102,232.01	\$108,246
\$149	\$98,771.01	\$104,258	\$156	\$103,508.01	\$109,259	\$163	\$108,246.01	\$114,259

<i>Weekly Co-pay</i>	<i>Family Size: 19 Annual Income</i>		<i>Weekly Co-pay</i>	<i>Family Size: 20 Annual Income</i>		<i>Weekly Co-pay</i>	<i>Family Size: 21 Annual Income</i>	
\$160	\$104,258.01	\$109,745	\$168	\$109,259.01	\$115,009	\$175	\$114,259.01	\$120,273
\$171	\$109,745.01	\$115,232	\$179	\$115,009.01	\$120,759	\$188	\$120,273.01	\$126,287
\$183	\$115,232.01	\$120,720	\$191	\$120,759.01	\$126,510	\$200	\$126,287.01	\$132,300
\$195	\$120,720.01	\$126,207	\$204	\$126,510.01	\$132,260	\$213	\$132,300.01	\$138,314
\$207	\$126,207.01	\$131,694	\$217	\$132,260.01	\$138,011	\$227	\$138,314.01	\$144,328
\$219	\$131,694.01	\$137,181	\$230	\$138,011.01	\$143,761	\$240	\$144,328.01	\$150,341
\$232	\$137,181.01	\$142,669	\$243	\$143,761.01	\$149,512	\$254	\$150,341.01	\$156,355
\$245	\$142,669.01	\$148,156	\$257	\$149,512.01	\$155,262	\$268	\$156,355.01	\$162,369
\$258	\$148,156.01	\$153,643	\$271	\$155,262.01	\$161,013	\$283	\$162,369.01	\$168,382
\$272	\$153,643.01	\$159,130	\$285	\$161,013.01	\$166,763	\$298	\$168,382.01	\$174,396
\$286	\$159,130.01	\$164,618	\$299	\$166,763.01	\$172,514	\$313	\$174,396.01	\$180,410
\$300	\$164,618.01	\$170,105	\$314	\$172,514.01	\$178,264	\$329	\$180,410.01	\$186,423
\$314	\$170,105.01	\$175,592	\$329	\$178,264.01	\$184,014	\$344	\$186,423.01	\$192,437
\$329	\$175,592.01	\$181,079	\$345	\$184,014.01	\$189,765	\$361	\$192,437.01	\$198,450
\$344	\$181,079.01	\$186,567	\$361	\$189,765.01	\$195,515	\$377	\$198,450.01	\$204,464
\$359	\$186,567.01	\$192,054	\$377	\$195,515.01	\$201,266	\$394	\$204,464.01	\$210,478
\$375	\$192,054.01	\$197,541	\$393	\$201,266.01	\$207,016	\$411	\$210,478.01	\$216,491
\$391	\$197,541.01	\$203,028	\$410	\$207,016.01	\$212,767	\$428	\$216,491.01	\$222,505
\$407	\$203,028.01	\$208,516	\$427	\$212,767.01	\$218,517	\$446	\$222,505.01	\$228,519
\$424	\$208,516.01	\$214,003	\$444	\$218,517.01	\$224,268	\$464	\$228,519.01	\$234,532
\$440	\$214,003.01	\$219,490	\$461	\$224,268.01	\$230,018	\$483	\$234,532.01	\$240,546
	200% FPIG	\$186,800		200% FPIG	\$195,760		200% FPIG	\$204,720

APPENDIX C

STEPPARENT DEDUCTION CHART

<i>County of residence</i>	<i>Family composition / size</i>					
	<i>2</i>	<i>3</i>	<i>4</i>	<i>5</i>	<i>6</i>	<i>Each additional person</i>
Adams, Allegheny, Berks, Blair, Bradford, Butler, Centre, Columbia, Crawford, Cumberland, Dauphin, Delaware, Erie, Lackawanna, Lebanon, Lehigh, Luzerne, Lycoming, Monroe, Montour, Northampton, Philadelphia, Sullivan, Susquehanna, Union, Warren, Wayne, Westmoreland, Wyoming and York	\$461	\$587	\$724	\$859	\$976	\$121
Armstrong, Bedford, Cambria, Clarion, Clearfield, Fayette, Forest, Fulton, Greene, Huntingdon, Jefferson, Juniata, Northumberland, Schuylkill and Somerset	\$406	\$532	\$662	\$791	\$894	\$121
Beaver, Cameron, Carbon, Clinton, Elk, Franklin, Indiana, Lawrence, McKean, Mercer, Mifflin, Perry, Potter, Snyder, Tioga, Venango and Washington	\$444	\$573	\$698	\$829	\$943	\$121
Bucks, Chester, Lancaster, Montgomery and Pike	\$481	\$614	\$749	\$885	\$1,001	\$121

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