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Mississippi Low-Income Child Care Initiative Public Comments on the February 7th, 2019 Administrative Procedures Notice Filing for the Child Care Payment Program Policy Manual and Economic Impact Statement

Introduction

The Mississippi Low-Income Child Care Initiative (MLICCI) is submitting public comments in response to the Mississippi Department of Human Services’ (MDHS) newly revised version of the Child Care Payment Program (CCPP) Policy Manual filed on the Mississippi Secretary of State’s administrative bulletin on February 7th, 2019.

MLICCI is encouraged to see a number of changes in this version of the policy manual, including clarification of a number of existing rules and procedures and the addition of policies that are responsive to Child Care and Development Fund (CCDF) provider feedback. For instance, MLICCI applauds MDHS’s inclusion of providers in 60-day notices of eligibility redetermination.

As MLICCI reflects on more than 20 years of CCDF policy and administration in Mississippi, we offer an overarching recommendation below, followed by Section 1, in which we provide our analysis, recommendations and questions pertaining to the CCPP Policy Manual by chapter and page number. In Section 2, we provide our public comments on the proposed Economic Impact Statement.

Separate the CCDF and TANF Child Care Programs

Recommendation 1: MLICCI recommends reinstating the TANF Child Care Certificate Program separate from the CCDF Child Care Payment Program. MLICCI recommends reinstating these two programs for the following reasons.

Establishing separate child care programs for CCDF and TANF recipients would maximize limited child care funds and better serve Mississippi’s low income working families.

MDHS has done this before and it was successful. In the late nineties and early 2000s, the Mississippi Department of Human Services (MDHS) administered two simultaneous child care certificate programs using a combination of TANF direct child care spending, CCDF funds and a TANF transfer to CCDF. The TANF child care program was funded with TANF funds and
served TANF recipients. The CCDF program was funded with CCDF funds and a TANF transfer to CCDF and served CCDF working parents.

Mississippi’s workforce leaders have set a goal of increasing Mississippi’s workforce participation rate, and they also recognize that the lack of affordable child care is an impediment to reaching that goal. Maximizing federal and state funds spent on child care for working parents is of urgent and critical importance. Parents need child care to enter the workforce and retain their employment. Child care is also essential in supporting a pathway to higher earnings for low-income parents who may be enrolled in education or in job training.

Moving TANF, TCC, foster/protective services and other referred clients into the TANF child care program would allow CCDF to focus on Mississippi’s low-income working parents who need child care assistance so they can continue participating in the labor force and so they can take advantage of opportunities to increase their skills and their wages. Mississippi has an opportunity to use CCDF as a support system for meeting its workforce goals, while continuing to provide child care through TANF to vulnerable populations currently given highest priority in CCDF.

An increasing number of children and families served by the CCPP are in priority population categories in which individuals are eligible for child care through their participation in another program and not because they are meeting the CCDF work and income requirement.

In a 2015 Public Records Act (PRA) request, MLICCI obtained data from the MDHS showing that about 54% of priority populations served were eligible because they were meeting the CCDF work requirement, while the remaining 46% of those served were eligible due to their participation in programs that made them categorically eligible for child care through CCPP.

But MLICCI notes that the percentage of priority populations receiving child care because they are meeting the CCDF work requirement has trended downward in recent years.

In 2018, based on data cited in the 2018 SECAC Annual Report, “Early Childhood Education in Mississippi: Past, Present, and a Bright Future,” 44.6% of priority populations served were working low-income parents meeting the CCDF work requirement, while the remaining 55.4% were eligible due to their participation in programs that made them categorically eligible for child care through CCPP (See pg. 15, https://secac.ms.gov/wp-content/uploads/2019/01/Annual-Report-2018_Clear-Margins.pdf). Even in the case of provisional vouchers, which accounted for 12.4% of priority populations receiving CCDF in 2018, individuals receiving such vouchers are eligible only because of their participation in TANF or TCC.

Populations that MS could serve through TANF direct child care spending, including TANF, TCC and foster care/protective services, are increasing as a share of current CCDF priority populations served. For instance, the percentage of foster care/protective services priority populations served through CCPP has more than doubled in recent years, increasing from 10% of total priority populations served in 2015 to 24.7% of priority populations served in 2018.
These and other factors have resulted in an increased number of priority sub-populations and a generally more complex system of determining priority of service with limited funds. The current approach is considerably more complicated than “first come, first serve.”

Given these factors, MLICCI recommends reinstating two separate programs for TANF child care and CCDF child care with the purpose of freeing up more CCDF funds for working parents whose eligibility for CCDF is not based on their participation in another program and who are meeting the CCDF work requirement. With its federal and state TANF funds, MS should still have adequate funding to serve vulnerable populations currently given the highest priority in the CCDF Priority Population structure while freeing up more CCDF funds to increase the number of parents served who are meeting the CCDF work requirement and who represent a large share of the workforce that is needed to fill in-demand “middle skill” jobs.

**Recommendation 2:** MLICCI recommends eliminating the child support requirement for single parents in the CCPP. This will be possible with a separation of the TANF and CCDF child care programs because cooperation with child support enforcement is NOT a federal eligibility requirement for single parents in CCDF.

This would allow CCDF to better align with other early childhood programs in Mississippi. Neither Head Start nor public pre-K require child support enforcement. The state should align CCDF policies with these programs to streamline and improve participation of parents and children.

MDHS imposed this TANF child support requirement onto CCDF single parents in 2004 when the state consolidated the TANF and CCDF child care programs into one. Creating a separate TANF child care program would have the second benefit of allowing MDHS to eliminate the child support requirement in CCDF. Since 2004, this requirement has had a harmful impact on single mothers, and should be changed.

Many states, including neighboring southern states Alabama, Louisiana and Tennessee, DO NOT impose this requirement on working single mothers trying to get federal CCDF assistance (Mathematica, 2018).

Child Support Enforcement deters parents from seeking CCDF and creates an undue burden during their application process. Federal CCDBG Act rules prohibit states from imposing eligibility policies that create undue burdens for parents applying or being re-determined for CCDF. A 2007 audit of the state’s CCDF program under Mississippi State Auditor Phil Bryant found that the child support enforcement requirement created a “dual-application” process when it was implemented in 2004 and presented a barrier for working parents seeking child care as a work support.

In 2005, 44% of CCDF providers MLICCI surveyed reported that mothers stopped participating in CCDF when the child support requirement went into effect in 2004, totaling 1,310 mothers in the centers surveyed. In 2016, 91% of surveyed CCDF providers reported the child support requirement keeps eligible people from applying for CCDF.
Mothers with informal arrangements with absent fathers are reluctant to initiate legal action against the absent father for the justified concern that those arrangements will fall apart if she takes him to court. Because the state first recovers its costs before child support payments are directed to the mom and child, families are reluctant to cooperate. This maze of issues deters moms from applying for the CCDF assistance she needs in order to work.

Mississippi carves out a few narrow child support enforcement exemptions for working parents trying to access CCDF, but only for the most extreme cases involving rape, incest, physical and emotional harm, or where a legal adoption is pending. Even in other states that require cooperation with child support enforcement to receive CCDF, many carve out more exemptions than just the most extreme cases. Child care administrators in states that require child support enforcement for CCDF often see the non-federal requirement as an administrative burden (Mathematica, 2018).

Thus, MLICCI recommends eliminating the child support eligibility requirement in the CCDF CCPP.

I. Mississippi Low-Income Child Care Initiative Public Comments on the Child Care Payment Program Policy Manual

Chapter 3: Priority Populations

Pg. 31, “Very Low-Income and Low-Income Families”

Recommendation: MLICCI recommends adding to the listed priority populations parents who are working and between 50% and 85% of SMI.

MLICCI noted the omission of children of low-income parents earning between 50% and 85% of SMI from the Priority Population category list. While MLICCI acknowledges working parents in this income category are given lowest priority under the current priority population policy, we recommend that the MDHS add to the “Very Low-Income and Low-Income Families” priority category parents who are working and/or enrolled in school/job training and whose earnings are between 50% and 85% of SMI. This change will reflect all eligible groups and will be consistent with other portions of the manual that reference the earnings maximum as 85% of SMI.

MLICCI notes that if the MDHS implements MLICCI’s recommendation of separating TANF and CCDF child care programs, there would likely be adequate funding for serving populations between 50% and 85% of SMI.

Chapter 4: Parent Application Process

Recommendation: MLICCI recommends providing parents with a written or electronically documented confirmation that submitted documents have been received.

Pg. 33, “After Submitting Application,”
Parents must submit all required documentation by mail, fax, email, or in person to any local MDHS county office. The MDHS employee in the county must scan and upload the documents to WorkSite or email the documents to DECCD email address, cc.payment@mdhs.ms.gov, the same or next business day. In addition, the parent may submit any required documents by mail or in person to the MDHS State Office, attention DECCD.

At several child care provider meetings and focus groups between 2017-2018, parents and providers reported instances where parents submitted documents and later received a notice that documents had, in fact, not been received. This outcome was reported in the context of various methods of submitting documentation, including mail, fax and in-person. Consistently, parents and providers reporting this experience to MLICCI had not received any documentation that confirmed the receipt of the documents they submitted. In response to this reported feedback, some providers said parents had to take some additional steps to obtain confirmation in writing that documents had been received and advised other providers to promote this practice with the parents they serve. Thus, MLICCI recommends providing parents with a written or electronically documented confirmation that submitted documents have been received.

Chapter 5: Parent Eligibility Requirements

Recommendation: MLICCI recommends that MDHS allow parents to choose providers for services and payment through CCPP regardless of whether the providers selected by parents have become designated “Standard” centers.

Pg. 36, “Parental Choice”

Upholding parental choice is a fundamental obligation for states and designated lead agencies administering CCDF funds. Federal rules require states to take steps ensuring a parent’s choice of the child care provider that meets their work, education and/or job training needs is facilitated, rather than inhibited, by the state’s CCDF policies.

New CCDBG Act rules also require states to address quality improvement among providers participating in the subsidy program. Federal rules give states a wide range of options for increasing and enhancing quality in state CCDF programs.

MLICCI recognizes that Mississippi is in the process of creating a new system of quality improvement that envisions universal access to a minimum quality level of Standard Designation by October 2019. MLICCI also recognizes that this is a move away from the previous cost-prohibitive Quality Rating System and that MDHS has explicitly recognized some of the flaws of that previous system and attempted to create a more accessible system.

MLICCI notes, however, that the shift to Standard Designation is a shift to a mandatory system of quality improvement, away from voluntary quality improvement initiatives.

For the first time, licensed child care centers that do not submit a Standard Designation application by the 2019 deadline or those who do not accept required Technical Assistance as a
condition of application approval will no longer be eligible to participate in the Child Care Payment Program or serve children and families with vouchers.

While MDHS must address its obligation to promote quality improvement among providers receiving subsidies, it is equally bound by federal law to uphold parental choice of provider.

Licensed, center-based child care providers regulated by the state department of health have been eligible to participate in CCDF throughout Mississippi’s history administering this federal program. If a licensed center in a community opts out of participating in the state’s new quality improvement program and does not submit a Standard Designation application, and if a parent is currently using a voucher at such a center, then the parent’s choice of provider will necessarily be interrupted based on the state’s new quality improvement policy.

The state must weigh its policy of ensuring quality improvement among CCPP providers against its obligation to uphold parental choice. If Mississippi’s choice to establish a mandatory system of quality improvement results in licensed center-based providers losing CCPP eligibility, then MS should create alternative pathways to becoming a CCPP Approved Provider for center-based child care providers with a current child care license that opt not to become designated as “standard” centers.

Pg. 36, “Eligibility Requirements”

Recommendation: MLICCI recommends eliminating the child support requirement for single parents in the CCDF child care program.

5. Parent(s) must be in cooperation with child support, if applicable.

Cooperation with child support enforcement is not a federally mandated eligibility requirement in CCDF.

The state decided to impose the child support requirement on single parents when the state combined the TANF and CCDF child care programs in 2004. As noted above, MLICCI recommends separating these into two separate child care programs and eliminating the child support requirement in CCDF child care.

Eliminating the child support requirement in CCDF would better align with other early childhood programs in Mississippi. Neither Head Start nor public pre-K require child support enforcement. The state should align CCDF policies with these programs to streamline and improve participation of parents and children.

Many states, including neighboring southern states Alabama, Louisiana and Tennessee, DO NOT impose this requirement on working single mothers trying to get federal CCDF assistance (Mathematica, 2018).

Child Support Enforcement deters parents from seeking CCDF and creates an undue burden during their application process. Federal CCDBG Act rules prohibit states from imposing
eligibility policies that create undue burdens for parents applying or being re-determined for CCDF. A 2007 audit of the state’s CCDF program under then-Mississippi State Auditor Phil Bryant found that the child support enforcement requirement created a “dual-application” process when it was implemented in 2004 and presented a barrier for working parents seeking child care as a work support.

In 2005, 44% of CCDF providers MLICCI surveyed reported that mothers stopped participating in CCDF when the child support requirement went into effect in 2004, totaling 1,310 mothers in the centers surveyed. In 2016, 91% of surveyed CCDF providers reported the child support requirement keeps eligible people from applying for CCDF.

Mothers with informal arrangements with absent fathers are reluctant to initiate legal action against the absent father for justified concern that and those arrangements will fall apart if she takes him to court. Because the state first recovers its costs before child support payments are directed to the mom and child, families are reluctant to cooperate. This maze of issues deters moms from applying for the CCDF assistance she needs in order to work.

Mississippi carves out a few narrow child support enforcement exemptions for working parents trying to access CCDF, but only for the most extreme cases involving rape, incest, physical and emotional harm, or where a legal adoption is pending. Even in other states that require cooperation with child support enforcement to receive CCDF, many carve out more exemptions than just the most extreme cases. Child care administrators in states that require child support enforcement for CCDF often see the non-federal requirement as an administrative burden (Mathematica, 2018).

Thus, MLICCI recommends eliminating the child support eligibility requirement in the CCDF CCPP.

Pg. 37, “Proof of Age”

Recommendation: MLICCI recommends an alternate document than the Long Form Birth Certificate for “proof of age” of the child.

Long Form Birth Certificate is the only form of documentation listed as acceptable for proving the child’s age. If parents are required to order a new copy, it cost $17 plus $6 per additional copy. Alternate forms could include the Form 121 that includes the child’s birth date, or the short form birth certificate for which there is no cost.

Pg. 37, “Proof of Income”

Comments and Questions:

In the previous version of the CCPP Policy Manual, there was a specific policy for self-employed individuals who had not yet filed a tax return:

Previous Policy:
To calculate income for applicants, that are self-employed and did not file a tax return, the individual must provide three (3) prior consecutive months of income and expenses as documentary evidence. The household's net income will be calculated by averaging the monthly amounts.

MLICCI notes there is no more policy specifically addressing “proof of income” for newly self-employed individuals. Is there a reason the MDHS moved away from a policy specific to this type of applicant?

For the newly self-employed applicant who did not file a tax return, would the Estimated Quarterly Tax Report still be required?

Pg. 38, “Countable Income”

**Recommendation:** Again, MLICCI recommends that MDHS eliminate the child support requirement for single parents in the CCDF child care program. Additionally, MLICCI recommends that MDHS consider some exemptions in certain situations from counting child support as income for purposes of determining CCDF eligibility where child support continues to be required.

As noted above, MLICCI recommends that the child support requirement be eliminated for CCDF child care parents. Regarding those parents required to take legal action for child support, MDHS has amended the listing of categories of countable income and made such categories more explicit in the new proposed CCPP policy manual.

MDHS has identified court-ordered and direct child support payments when they are regular and ongoing as countable income. In the case that a parent may already be in cooperation with the state child support enforcement division as a condition of their enrollment in another public assistance program, such as SNAP, and in such cases where the state is recouping a portion of child support collections, would the amount the parent received, even if significantly reduced after state recoupment, still be counted as income?

MLICCI recommends that MDHS consider some exemptions in certain situations, such as the scenario described above, from counting child support as income for purposes of determining CCDF eligibility.

**MLICCI noted a new category of countable income:**

*Gross income for any adult living in the household*

**Recommendation:** MLICCI recommends that MDHS amend proposed language to ensure that the income of other adults living in the same household of the parent/applicant who are not biological parents of the child, who are not providing any care for the child and who are not part of the family unit is not counted in the total countable income for applicants and that such individuals are not counted as members of the family unit.
The newly proposed CCPP manual does not address a need for other adults in the household who are not biological parents of the child or a member of the family unit to meet the work requirement or be counted as a household member, though this new category of countable income suggests that such adults’ income would be factored in to the maximum allowable household income.

Under Chapter 2, “Definitions”, the newly proposed CCPP manual defines “Income” as the following:

Funds received by all applicable individuals as described in this policy that are not supplemented by any public assistance other than medical assistance or the Supplemental Nutrition Assistance Program (SNAP). See pg. 23.

MLICCI notes that while the definition of “Income” in Chapter 2 goes on to list numerous categories of countable income, it does NOT list “gross income for any adult living in the household,” which is inconsistent with the list of types of countable income in Chapter 5 on pg. 38.

MLICCI also notes that the MDHS has defined “Family Unit” to mean:

Any person living in the household who is financially or legally responsible for the care of the child(ren).

MLICCI notes the MDHS’s definition of “Family Unit” does not include any language regarding other adults living in the household who are not part of the family unit.

Additionally, the newly proposed CCPP manual defines income in Chapter 5 “Income Calculations” as the following:

“Income...the total of all countable income, excluding non-countable income...received by the parent(s) or responsible adults of the child.” See pg. 37

MLICCI contends that, as currently stated, the inclusion of “gross income for any adult living in the household” as a category of countable income on pg. 38 is inconsistent with other language in chapters 2 and 5 referenced above.

Counting income of another adult living in the household who is not the biological parent or the responsible adult or a member of the family unit for the child will produce an inaccurate and potentially inflated earnings calculation for the applicant.

The newly revised countable income policy is also significantly different from the previous policy, which made clear that other adults in the household who the applicant was not married to and who were not biological parents of the child were NOT counted as a household member, their income was NOT counted and their work status was NOT relevant to the applicant’s eligibility.

The previous policy regarding treatment of income of other adults living in the household states:
Income or work status of another adult residing in the home with the applicant and to whom the applicant is not married shall not be counted. Such individuals shall not be considered in determining the size of the household unless they are the biological parents of the child(ren) for whom application for service is being made. Pg. 179, 4.2 (2) D

The revised policy, if interpreted as stated, could potentially mean that a single parent living with a roommate may be required to report the roommate’s gross income as the household’s countable income, even if the roommate is not related to the child and does not provide any care for the child and is not part of the family unit.

For teen parents, the MDHS has created a policy making explicit that if a teen parent is living with their biological parents or guardians, the income of the teen parent’s biological parents or guardians living in the household will not be counted and the teen parent must apply for child care as a separate family unit (other issues MLICCI noted regarding teen parent eligibility requirements are discussed in the relevant section).

MLICCI recommends the MDHS amend proposed language to make clear that the income of other adults living in the same household who are not biological parents of the child or who are not part of the family unit should not be counted in the total countable income for applicants and that such adults should not be counted as members of the family unit.

Pg. 39, “Proof of Work/Education or Training (parent/applicant)”

Recommendation: MLICCI recommends that MDHS create an informational packet offering information on what types of employee accreditation and what steps can be taken to achieve the appropriate accreditation for parents receiving CCDF who are seeking job training or education.

The amended version of the policy manual requires that education and job training providers be accredited by the state of Mississippi or a national organization.

If not already available, MLICCI recommends that the MDHS create an informational packet that private training providers can access offering information on what types of accreditation qualify and what steps can be taken to achieve the appropriate accreditation in order to serve parents receiving CCDF who are seeking job training or education.

Pg. 40, “Proof of State Residency (parent/applicant)”

Recommendation: MLICCI recommends clarifying whether only one (1) document is required to establish state residency; and maintaining language similar to the 2017 and 2018 version of the CCPP Policy Manual and not requiring a match of verification if documents reasonably establish that the parent is a state resident.

MLICCI notes that the MDHS has again revised its proof of state residency policy:

*The address on the documents must verify a Mississippi address, and at least one (1) must verify the address listed on the application. Acceptable forms include:*
MLICCI recommends clarifying whether only one (1) document is required to establish state residency. As written, there are multiple references to plural nouns such as “documents” and “acceptable forms” in the policy language describing the new proof of state residency requirement. As written, if only one (1) document is used to establish state residence, it must also match or “verify” the address used in the application for CCPP assistance.

Thusly, the revised MDHS Proof of State Residency policy reinstates the requirement that a match of address must be established between one type of document (a state issued ID or an item typically received via postal mail) and the address used in the application for CCPP assistance.

While MLICCI acknowledges that the currently proposed policy is an improvement over the 2016 policy requiring three (3) documents that had to have a corroborating address, the matching requirement will be an issue for some parents. In particular, those parents living in temporary housing situations will likely have a valid ID, but no current postal mail with the address on their ID. This will again create an additional step for parents in this situation.

The policy that MDHS established to replace the 2016 Proof of Residency policy removed the matching requirement and included explicit language that any document that “reasonably establishes the applicant’s residency must be accepted.” The previous Proof of Residency policy in the most recent version of the CCPP Policy Manual prior to the current proposed revision stated:

To be considered eligible, the applicant must reside in the state of Mississippi and provide one form of acceptable verification. Forms of acceptable verification of residency include, but not limited to, rent payments, mortgage payments, utility expenses, or a state issued identification card. The worker must use other readily available documentary evidence in the CCPP system or Worksite if verification cannot be established based on the submitted documents. Any document which reasonably establishes the applicant’s residency must be accepted and no requirement for a specific type of verification may be imposed. However, if there is a discrepancy, the worker must accept and review the submitted documents. A determination will be made based on the validity of the documents.

MLICCI is concerned that by reinstating a requirement that the document used to establish state residency must match the address used on the application for assistance, there will be more instances of parents’ application process being adversely affected due to failure to comply with a procedural step, not because they are no longer a state resident.

MLICCI recommends maintaining language similar to the 2017 and 2018 version of the CCPP Policy Manual and not requiring a match of verification if documents reasonably establish that the parent is a state resident.

Pg. 41, “Proof of Child Support Cooperation (parent, if applicable)”

Recommendation: MLICCI recommends eliminating the child support requirement for single parents in the CCDF child care program.
Cooperation with child support enforcement is not a federally mandated eligibility requirement in CCDF.

The state decided to impose the child support requirement on single parents when the state combined the TANF and CCDF child care programs in 2004. As noted above, MLICCI recommends separating these into two separate child care programs and eliminating the child support requirement in CCDF child care.

Eliminating the child support requirement in CCDF would better align with other early childhood programs in Mississippi. Neither Head Start nor public pre-K require child support enforcement. The state should align CCDF policies with these programs to streamline and improve participation of parents and children.

Many states, including neighboring southern states Alabama, Louisiana and Tennessee, DO NOT impose this requirement on working single mothers trying to get federal CCDF assistance (Mathematica, 2018).

Child Support Enforcement deters parents from seeking CCDF and creates an undue burden during their application process. Federal CCDBG Act rules prohibit states from imposing eligibility policies that create undue burdens for parents applying or being re-determined for CCDF. A 2007 audit of the state’s CCDF program under Mississippi State Auditor Phil Bryant found that the child support enforcement requirement created a “dual-application” process when it was implemented in 2004 and presented a barrier for working parents seeking child care as a work support.

In 2005, 44% of CCDF providers MLICCI surveyed reported that mothers stopped participating in CCDF when the child support requirement went into effect in 2004, totaling 1,310 mothers in the centers surveyed. In 2016, 91% of surveyed CCDF providers reported the child support requirement keeps eligible people from applying for CCDF.

Mothers with informal arrangements with absent fathers are reluctant to initiate legal action against the absent father for justified concern that and those arrangements will fall apart if she takes him to court. Because the state first recovers its costs before child support payments are directed to the mom and child, families are reluctant to cooperate. This maze of issues deters moms from applying for the CCDF assistance she needs in order to work.

Mississippi carves out a few narrow child support enforcement exemptions for working parents trying to access CCDF, but only for the most extreme cases involving rape, incest, physical and emotional harm, or where a legal adoption is pending. Even in other states that require cooperation with child support enforcement to receive CCDF, many carve out more exemptions than just the most extreme cases. Child care administrators in states that require child support enforcement for CCDF often see the non-federal requirement as an administrative burden (Mathematica, 2018).

Thus, MLICCI recommends eliminating the child support eligibility requirement in the CCDF CCPP.
Recommendation: MLICCI recommends creating some flexibility and/or categories for exemption from the CCDF work requirement for parent(s) of teen parent CCDF applicants/recipient who also reside in the household of the teen parent. The current policy states:

*If the teen parent is living with his/her parent(s), the parent(s) of the teen must meet the work requirement or be enrolled full-time in an educational/training program; however, income of the parent(s) of the teen parent should not be counted.*

MLICCI recommends that the MDHS amend language to grant some flexibility in how parents of teen parents are made to comply with the CCDF work requirement. For instance, if the parent of a teen parent is unable to meet the work requirement due to unemployment, a disability, a temporary change in work, retirement, or if they are receiving SSI or support through Social Security, or if for any other reason they are unable to meet the CCDF work requirement, the teen parent should not be prohibited from obtaining the child care she needs to work, enroll in education or participate in job training.

Pg. 42-43, “Reporting Requirements”

Recommendation: MLICCI recommends that MDHS clarify the procedure in the case of a parent not reporting a temporary or non-temporary change during their 12-month eligibility period.

MLICCI is encouraged that the MDHS continues to extend a 90-day job search period for individuals reporting a change in income or work status that affects their eligibility during their 12-month eligibility period.

MLICCI acknowledges that the current proposed policy manual makes clear that parents are required to report specific types of changes, such as income, employment and changes in household size, if they occur during the 12-month eligibility period:

*MDHS requires parents participating in the CCPP to report any changes in circumstances listed below that occur during the 12-month eligibility period.*

The proposed CCPP policy manual does not address what procedure or consequence a parent may face if they do not report a change during the 12-month period intentionally or unintentionally, and if at redetermination a change that should have been reported is discovered that would have increased the parent’s co-pay, the current manual does not address whether the parent and provider would have to enter a repayment plan with the MDHS.

MLICCI suggests creating a policy that clarifies the procedure in the case of a parent not reporting a temporary or non-temporary change during their 12-month eligibility period.
MLICCI notes that current language regarding intentional program violations, as well as the more limited language regarding unintentional program violations and agency error, does not specifically address the ramifications of a parent not reporting one of the required categories of change during their eligibility period:

**Intentional Program Violation (IPV):**

*Definition: an intentional act by the recipient or child care provider to misrepresent or mislead by providing false documentation or verification or intentionally omitting documentation or verification in an effort to wrongfully obtain eligibility for services or payment, which MDHS must prove by clear and convincing evidence at a Programmatic Administrative Disqualification Hearing. MDHS Programmatic Administrative Disqualification Hearing Policy is incorporated herein by reference (See Part 23, Chapter 2).*

Examples of an IPV include, but are not limited to:

- Intentionally over-claiming payment for child care services rendered;
- Claiming payment for a child who no longer attends the child care facility; Failing to maintain sign-in/sign-out sheets, forging sign-in/sign-out sheets; Forging change-of-provider forms;
- Forging signatures;
- Failing to charge co-payments; or
- Having multiple certificates for the same child; or
- Providing manipulated, falsified or false documents to establish eligibility

MLICCI recommends clarifying any procedure in place specific to a parent who did not report a temporary or non-temporary change during their 12-month eligibility period.

MLICCI recommends that the MDHS not apply any sanctions to individuals who fail to report a change during their 12-month eligibility period that would not have resulted in the individual exceeding the income maximum.

**Pg. 43, “Redetermination of Eligibility”**

**Recommendations:** MLICCI recommends clarifying whether the MDHS will require parents to provide all documents needed to establish initial eligibility at every redetermination, or whether the MDHS will only require documents that are subject to change during the parent’s eligibility period. MLICCI further recommends that the MDHS should not require parents to re-submit forms that will not change. MLICCI recommends only requiring parents to provide during
redetermination proof of employment, proof of wages, proof of education/job training and proof of state residence.

MLICCI applauds the MDHS for including child care providers in 60-day notices of redetermination and acknowledges this policy is responsive to MLICCI’s learnings from the end-users of CCDF.

MLICCI notes that current language below, as stated, seems to suggest that parents will be required to submit all documentation again at redetermination:

_The eligibility requirements for redetermination are the same as for initial application... The parent must submit the online redetermination application and return the required documentation by the due date indicated on the Notice._

MLICCI recommends clarifying whether or not the MDHS will require parents to provide all documents needed to establish initial eligibility at every redetermination, or if the MDHS will only require documents that are subject to change during the parent’s eligibility period.

MLICCI recommends that the MDHS should not require parents to re-submit forms that will not change, such as the child’s Long Form Birth Certificate. MLICCI recommends only requiring parents to provide during redetermination proof of employment, proof of wages, proof of education/job training and proof of state residence.

**Chapter 7: Provider Application Process**

**Pg. 50 and pg. 53, “CCPP Provider Requirements” and “Standard Designation”**

**Recommendation:** MLICCI recommends that MDHS create alternative pathways to becoming a CCPP Approved Provider for center-based child care providers with a current child care license that opt not to become designated as “standard” centers.

_Maintains a Standard Designation by completing/updating the application in the Provider Integrated Portal (PIP), and compliance with recommendations for Technical Assistance (TA) if applicable. Includes implementation of curriculum that aligns with the Mississippi Department of Education’s (MDE) Early Learning Standards-

*Standard Designation requirement is in the process of being phased into the program, with a final deadline of October 1, 2019 for compliance by all providers. (Details discussed below).

Standard designation is an aforementioned minimum quality requirement to be a child care provider. All providers must have a standard designation prior to October 1, 2019, and the designation will be renewed no more than once per year. DECCD is in the
process of assisting providers in achieving a standard designation.

All providers who complete a standard application in the Provider Integrated Portal (PIP) in good faith will be granted a standard designation. Based on the content of the application, the provider may be approved without technical assistance (TA) or with TA. TA will be provided at no charge to the provider by the Early Childhood Academies (ECA).

Upholding parental choice is a fundamental obligation for states and designated lead agencies administering CCDF funds. Federal rules require states to take steps ensuring a parent’s choice of the child care provider that meets their work, education and/or job training needs is facilitated, rather than inhibited, by the state’s CCDF policies.

New CCDBG Act rules also require states to address quality improvement among providers participating in the subsidy program. Federal rules give states a wide range of options for increasing and enhancing quality in state CCDF programs.

MLICCI recognizes that Mississippi is in the process of creating a new system of quality improvement that envisions universal access to a minimum quality level of Standard Designation by October 2019. MLICCI also recognizes that this is a move away from the previous cost-prohibitive Quality Rating System and that MDHS has explicitly recognized some of the flaws of that previous system and attempted to create a more accessible system.

MLICCI notes, however, that the shift to Standard Designation is a shift to a mandatory system of quality improvement, away from voluntary quality improvement initiatives.

For the first time, licensed child care centers that do not submit a Standard Designation application by the 2019 deadline or those who do not accept required Technical Assistance as a condition of application approval will no longer be eligible to participate in the Child Care Payment Program or serve children and families with vouchers.

While MDHS must address its obligation to promote quality improvement among providers receiving subsidies, it is equally bound by federal law to uphold parental choice of provider.

Licensed, center-based child care providers regulated by the state department of health have been eligible to participate in CCDF throughout Mississippi’s history administering this federal program. If a licensed center in a community opts out of participating in the state’s new quality improvement program and does not submit a Standard Designation application, and if a parent is currently using a voucher at such a center, then the parent’s choice of provider will necessarily be interrupted based on the state’s new quality improvement policy.

The state must weigh its policy of ensuring quality improvement among CCPP providers against its obligation to uphold parental choice. If Mississippi’s choice to establish a mandatory system of quality improvement results in licensed center-based providers losing CCPP eligibility, then MS should create alternative pathways to becoming a CCPP Approved Provider for center-based
child care providers with a current child care license that opt not to become designated as “standard” centers.

II. MLICCI Public Comments on Child Care Payment Program Economic Impact Statement

MLICCI notes that the MDHS also filed an Economic Impact Statement (EIS) to estimate the potential costs of requiring the Standard Center designation as a mandatory minimum quality improvement for all CCPP-Approved Providers by October 2019.

MLICCI commends the MDHS for moving to a system of quality improvement with a stated intention of avoiding the cost-prohibitive nature of the previously implemented QRIS, as was documented in MLICCI’s four-year “Step Up” study and as was cited in the MDHS’s proposed EIS.

As noted in MLICCI’s public comments on the proposed CCPP Policy Manual, the shift to Standard Designation is a shift to a mandatory system of quality improvement, away from voluntary quality improvement initiatives.

MLICCI underscores the significance of this policy change and that both the Standard and Comprehensive designations remain in a rollout and development phase. Given the initial deadline for CCPP providers to obtain a Standard designation is October 2019 and that Comprehensive designations will occur in the form of pilots developed over the next two years, MLICCI contends that the MDHS will be in a better position to estimate actual costs both to the agency and to providers after the initial rollout of the Standard designation is complete and as the MDHS learns from the implementation of Comprehensive pilots.

MLICCI also notes that the MDHS estimated the annual provider cost to complete the Standard Center application and to comply with Technical Assistance (TA), if required, at $513.00 per provider, based on hourly wages for directors completing a 5-hour application annually and conducting two hours of TA per month.

MLICCI commends the MDHS for establishing an agreement with the MSDH to award 5 contact hours to providers completing the Standard application. But MLICCI notes that the MDHS’s estimate of a 5-hour Standard application completion time for initial eligibility and for renewal may be found to be inaccurate as the agency completes the initial rollout of the Standard designation. For instance, the MDHS may find it takes longer than 5-hours on average for providers or it may find other significant variations in time taken to complete applications
between different types of providers that should be considered in estimating accurate cost projections of moving all CCPP providers to a new system of quality improvement.

MLICCI contends that the MDHS is still too early in its process of rolling out the Standard designation to fully identify if the costs identified both for the agency and providers are, in fact, the only costs to be identified.

MLICCI notes that no language in the proposed CCPP Policy Manual’s sections regarding Comprehensive designation speaks to cost. While MLICCI notes the Comprehensive designation is optional for providers, some of the quality improvement strategies enumerated in the proposed CCPP Policy Manual will likely come with a substantial associated cost, based on MLICCI’s learnings from the “Step Up” study.

CCPP providers are concerned about potential costs associated with implementing new quality improvement requirements. As such, MLICCI recommends that MDHS plan to revise and amend its EIS as it gathers more data, experiential knowledge and feedback from the end-users of the CCDF program in MS after the initial deadline for obtaining a Standard designation and after implementation of at least one Comprehensive pilot.