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State of Wisconsin
Governor Scott Walker

TO: **Income Maintenance Supervisors
Income Maintenance Lead Workers
Income Maintenance Staff
Training Staff
Child Care Eligibility and
Authorization Workers
Child Care Coordinators**

DECE/BELP OPERATIONS MEMO

No: 18-24

DATE: 09/05/2018

Wisconsin Shares Child Care

FROM: Kath McGurk, Director
Bureau of Early Learning and Policy
Division of Early Care and Education
Department of Children and Families

**SUBJECT: Overview of Upcoming CCDBG Phase 3 Policy Changes and Updates
to the Wisconsin Shares Child Care Subsidy Program**

CROSS REFERENCE: [Child Care and Development Block Grant](#);
[Wisconsin Shares Policy and Process Handbook](#), Chapter 1:
Program Eligibility and Chapter 2: Authorizations;
Operations Memos: [16-20](#), [17-37](#), [17-38](#), and [17-45](#)

EFFECTIVE DATE: November 1, 2018

PURPOSE: The purpose of this Operations Memo is to inform local agencies of the third phase of changes related to the Child Care Development Block Grant (CCDBG). This memo provides an introduction to the changes that will be implemented in October 2018 and be effective as of the November 1 benefit load. A number of Operations Memos will be published in the coming weeks to provide information on detailed policy, CARES Worker Web (CWW) changes, and Child Care Statewide Administration on the Web (CSAW) changes.

BACKGROUND: The CCDBG Act of 2014 requires states to create family friendly policies that help families maintain Wisconsin Shares Child Care Subsidy and support continuity of care for children. The Bureau of Early Learning and Policy (BELP) has implemented these requirements in three phases. The first phase eliminated the Six Month Report Form (SMRF) and established a 12-month eligibility period (see [Operations Memo 16-20](#)). The second phase established a \$25,000 asset test for families (see [Operations Memo 17-37](#)), allows a child who reaches the age of 13 to continue receiving Wisconsin Shares up to the next annual renewal

(see [Operations Memo 17-38](#)), and allows parents who experience a permanent loss of an approved activity to continue receiving Wisconsin Shares for up to three months while they search for another approved activity (see [Operations Memo 17-45](#)). This third phase further enhances policies to promote continuity of care and reduce fluctuations in the monthly subsidy amount.

POLICY: This section provides a brief overview of many of the CCDBG Phase 3 changes. Each of these changes will be further detailed in upcoming OMs. The Wisconsin Shares Policy Manual will be renamed to the Wisconsin Shares Policy and Process Handbook. It will include policy, CWW and CSAW process, and worker or agency process. Updates to the Wisconsin Shares Policy and Process Handbook Chapters One and Two and the corresponding Operations Memo (18-32) will be published in early October 2018.

85% State Medium Income (SMI) Limit: Currently, to be financially eligible for Wisconsin Shares Child Care Subsidy, a family's income must be at or below 185% Federal Poverty Level (FPL) at application. In order to maintain ongoing eligibility for Wisconsin Shares, the family's income must not exceed 200% FPL. With the implementation of CCDBG Phase 3, a family's income must still be below 185% FPL at application, but the family may continue to be financially eligible for Wisconsin Shares until their income exceeds 85% of the Wisconsin State Medium Income (SMI) for their family size.

Copayment Periods and Hourly Copayment Calculations: Three new copayment periods will help to reduce increases to a family's copayment during the 12-month eligibility period. These copayment periods are Copayment Stabilization, Gradual Phase Out, and Exit. CSAW will assign the Assistance Group (AG) to one of the three copayment periods based on their FPL at application and at renewal. Copayment periods will limit changes to a family's copayment amount. Additionally, copayments will now be determined by an hourly copayment method rather than the current Base and Per Child formula. This will ensure that a request for more authorization hours will not cause a decrease in the family's subsidy amount. The upcoming CCDBG Phase 3 Copayment Changes Operations Memo (18-25) will provide information that is more detailed.

Temporary Break (TBRK): The new Temporary Break (TBRK) policy allows parents to be eligible to receive Wisconsin Share Child Care Subsidy while temporarily absent from their approved activity for up to three months. Parents are required to report a temporary break from their approved activity if the parent expects the break to last one month or more. This policy does not change or replace the Approved Activity Search Period (ACTS) policy, which parents enter when they lose their approved activity and need child care to search for a new approved activity. A parent may request child care during a temporary absence from their approved activity when the parent expects to return to their approved activity after the temporary break. The upcoming TBRK and Authorization Assessment Operations Memo (18-27) will provide information that is more detailed.

Authorization Assessment and Authorized Hours: A worker must complete an Authorization Assessment at initial eligibility and at renewal. During the 12-month eligibility period, the worker must complete an Authorization Assessment when the parent changes providers, when there is a calendar month gap in authorization, when school-age children transition from summer break to the fall school year, and when an eligible adult is added to the case. In these circumstances, it is acceptable to change a parent's authorized hours. A worker can also do an Authorization Assessment during the 12-month eligibility period when the authorization has an effective end date earlier than the renewal date. If the Authorization Assessment results in a decrease in authorized hours, the worker must have a conversation with the parent and give the parent the option to keep the same level of authorized hours. The

upcoming TBRK and Authorization Assessment Operations Memo (18-27) will provide information that is more detailed.

Early Renewals: An early renewal for Wisconsin Shares Child Care Subsidy will not be allowed unless the renewal aligns with another assistance program on the case and the other assistance program's renewal due date is within 45 days. The upcoming CCDBG Phase 3 Changes to Early Renewals, CWW, and ACCESS Operations Memo (18-28) will provide information that is more detailed.

Reporting and Verification Requirements: Updates to Wisconsin Shares reporting and verification requirements reduces eligibility conditions that could end a family's eligibility during the 12-month ongoing eligibility period. Families continue to have up to 10 calendar days to report changes to their agency worker. However, verification may not be required in some situations. When a case is ongoing, the case will be able to maintain eligibility despite unverified earned or unearned income. When a person is added to the case, the newly added person will need to provide all verification. The upcoming CCDBG Phase 3 Reporting Requirements, Verification, and Notices Operations Memo (18-29) will provide information that is more detailed.

Post-Load Benefit Correction (PLBC): PLBC enhancements will allow workers to correct errors made in the copayment period determination. In addition, the "Apply To" field for negative adjustments with the "Agency Error" or "System Error" reason codes will default to "Not Apply" for Client corrections. The "Apply To" field may be overridden if appropriate, which is current functionality. Finally, Wisconsin Shares policy will allow local agencies to provide any discovered positive adjustments that resulted from any errors that occurred in the past 12 months back to the parent. These errors include agency, provider, client, and system underpayments. The upcoming CCDBG Phase 3 Post Load Benefit Correction (PLBC) Operations Memo (18-31) will provide information that is more detailed.

CWW AND CSAW: Each upcoming Operations Memo will include information on CWW and CSAW system changes that aligns with that policy area.

TRAINING: The Bureau of Operations and Planning (BOP) has developed the following four new trainings in conjunction with the implementation of the CCDBG Phase 3:

1. CCDBG Phase 3: High Level Overview Computer-Based Training (CBT);
2. CCDBG Phase 3: In-Person Training;
3. Understanding the Subsidy Calculations (CBT); and
4. CCDBG Phase 3: PLBC Computer-Based Training (CBT).

CONTACTS:

For Wisconsin Shares Child Care policy questions outside of Milwaukee County contact your Bureau of Regional Operations (BRO), Child Care Coordinators at BROCCPolicyHelpDesk@wisconsin.gov.

For Child Care CARES/CWW and CSAW Processing Questions statewide, and policy questions in Milwaukee County, contact the Child Care Subsidy and Technical Assistance line at: childcare@wisconsin.gov or (608) 422-7200.