



House of Representatives

General Assembly

File No. 562

February Session, 2006

Substitute House Bill No. 5507

House of Representatives, April 19, 2006

The Committee on Appropriations reported through REP. MERRILL of the 54th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING ELIGIBILITY UNDER THE CARE4KIDS PROGRAM.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 17b-749 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2006*):

3 (a) The Commissioner of Social Services shall establish and operate
4 a child care subsidy program to increase the availability, affordability
5 and quality of child care services for families with a parent or caretaker
6 who is working, attending high school or who receives cash assistance
7 under the temporary family assistance program from the Department
8 of Social Services and is participating in an approved education,
9 training, or other job preparation activity. Services available under the
10 child care program shall include the provision of child care subsidies
11 for children under the age of thirteen or children under the age of
12 nineteen with special needs. The department shall open and maintain
13 enrollment for the child care subsidy program and shall administer
14 such program within the existing budgetary resources available.

15 (b) The commissioner shall establish income standards for
16 applicants and recipients at a level to include a family with gross
17 income up to [fifty] sixty per cent of the state-wide median income. [,
18 except the commissioner (1) may increase the income level to up to
19 seventy-five per cent of the state-wide median income, (2) upon] Upon
20 the request of the Commissioner of Children and Families, the
21 Commissioner of Social Services may waive the income standards for
22 adoptive families so that children adopted on or after October 1, 1999,
23 from the Department of Children and Families are eligible for the child
24 care subsidy program. [, and (3) on and after March 1, 2003, shall
25 reduce the income eligibility level to up to fifty-five per cent of the
26 state-wide median income for applicants and recipients who qualify
27 based on their loss of eligibility for temporary family assistance.] The
28 commissioner may adopt regulations, in accordance with chapter 54,
29 to establish income criteria and durational requirements for such
30 waiver of income standards.

31 (c) The commissioner shall establish eligibility and program
32 standards including, but not limited to: (1) A priority intake and
33 eligibility system with preference given to serving recipients of
34 temporary family assistance who are employed or engaged in
35 employment activities under the department's "Jobs First" program,
36 working families whose temporary family assistance was discontinued
37 not more than five years prior to the date of application for the child
38 care subsidy program, teen parents, low-income working families,
39 adoptive families of children who were adopted from the Department
40 of Children and Families and who are granted a waiver of income
41 standards under subdivision (2) of subsection (b) of this section, and
42 working families who are at risk of welfare dependency; (2) health and
43 safety standards for child care providers not required to be licensed;
44 (3) a reimbursement system for child care services [which account] that
45 accounts for differences in the age of the child, number of children in
46 the family, the geographic region and type of care provided by
47 licensed and unlicensed caregivers, the cost and type of services
48 provided by licensed and unlicensed caregivers, successful completion
49 of fifteen hours of annual in-service training or credentialing of child

50 care directors and administrators, and program accreditation; (4)
51 supplemental payment for special needs of the child and extended
52 nontraditional hours; (5) an annual rate review process which assures
53 that reimbursement rates are maintained at levels which permit equal
54 access to a variety of child care settings; (6) a sliding reimbursement
55 scale for participating families; (7) an administrative appeals process;
56 (8) an administrative hearing process to adjudicate cases of alleged
57 fraud and abuse and to impose sanctions and recover overpayments;
58 and (9) a waiting list for the child care subsidy program that reflects
59 the priority and eligibility system set forth in subdivision (1) of this
60 subsection, which is reviewed periodically, with the inclusion of this
61 information in the annual report required to be issued annually by the
62 Department of Social Services to the Governor and the General
63 Assembly in accordance with subdivision (10) of section 17b-733. Such
64 action will include, but not be limited to, family income, age of child,
65 region of state and length of time on such waiting list.

66 (d) On or after January 1, 1998, a provider under the child care
67 subsidy program that qualifies for eligibility and subsequently receives
68 payment for child care services for recipients under this section shall
69 be reimbursed for such services until informed by the Department of
70 Social Services of the parent's ineligibility.

71 (e) All licensed child care providers and those providers exempt
72 from licensing shall provide the Department of Social Services with the
73 following information in order to maintain eligibility for
74 reimbursement: (1) The name, address, appropriate identification,
75 Social Security number and telephone number of the provider and all
76 adults who work for or reside at the location where care is provided;
77 (2) the name and address of the child's doctor, primary care provider
78 and health insurance company; (3) whether the child is immunized
79 and has had health screens pursuant to the federal Early and Periodic
80 Screening, Diagnostic and Treatment Services Program under 42 USC
81 1396d; and (4) the number of children cared for by the provider.

82 (f) On or after January 1, 1998, the commissioner shall adopt

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either House thereof for any purpose:

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 07 \$
Department of Social Services	GF - Cost	See Below

Municipal Impact: None

Explanation

This bill increases the income eligibility for the child care subsidy program from 50% of the statewide median income (SMI) to 60% SMI for FY07, and eliminates the Department of Social Services' authority to raise the limit to 75% SMI. Based on past enrollment, and recent experience in reopening closed portions of this program, it is estimated that this expansion will cost approximately \$600,000 to \$700,000 annually. The FY07 cost is expected to be somewhat less due to time necessary to ramp enrollment up to 60% SMI. sHB 5007 (the Budget Bill, as reported by the Appropriations Committee) contains \$1.5 million to increase the limit to 75% SMI for FY07.

The Out Years

The annualized ongoing fiscal impact identified above would continue into the future subject to inflation and changes in caseload.

OLR Bill Analysis**sHB 5507*****AN ACT CONCERNING ELIGIBILITY UNDER THE CARE4KIDS PROGRAM.*****SUMMARY:**

This bill increases the number of families eligible to participate in Care4Kids, the state's subsidized day care program. For example, the bill would raise the upper income limit for a four-person household from \$43,000 to \$51,600. Eligibility is currently capped at 50% of the state median income (SMI); the bill raises it to 60%. The 2006 caps are based on income earned in the 2003 tax year.

The bill also eliminates the Department of Social Services (DSS) commissioner's authority to increase the cap to 75% of SMI (e.g., \$64,500 for a four-person household).

EFFECTIVE DATE: July 1, 2006

CARE4KIDS

DSS administers the Care4Kids program. Existing law requires the department, among other things, to give priority to applicants who are:

1. Temporary Family Assistance (TFA (cash welfare)) recipients working or participating in approved work activities;
2. not receiving TFA benefits, but have done so within the last five years;
3. teen parents;
4. low-income working families;

- 5. adoptive parents of foster children, for whom DSS has waived income limits; and
- 6. working families at risk of becoming TFA applicants.

The program uses a sliding scale to determine how much a participating family must contribute.

Children and Caregivers

Children under age 13 and special needs children under age 19, are eligible for Care4Kids services. Caregivers must be licensed day care centers or group or family day care homes, relatives, or people who care for a child in the child's home.

COMMITTEE ACTION

Select Committee on Children

Joint Favorable Change of Reference
Yea 12 Nay 0 (03/09/2006)

Human Services Committee

Joint Favorable Change of Reference
Yea 11 Nay 3 (03/16/2006)

Appropriations Committee

Joint Favorable Substitute
Yea 46 Nay 0 (04/04/2006)