

Child Care Subsidy - Legislative Bill 485

Background

Legislative Bill (LB) 485 was signed into law by Governor Pete Ricketts on May 24, 2021. LB 485 is a pilot program that will be implemented on August 28, 2021, and will conclude on September 30, 2023. LB 485 will increase the child care subsidy initial federal poverty level (FPL) from 130% of the FPL to 185% of the FPL and redetermination will increase from 185% of the FPL to 200% of the FPL during this time.

Purpose

Once a household is initially approved for the child care subsidy the household will then be eligible at each subsequent 12-18 month redetermination period as long as household income does not surpass 200% of the FPL and all other eligibility requirements are met.

The pilot program will end on October 1, 2023, and all federal poverty levels will revert to 130% of the FPL for initial households and 185% of the FPL for each subsequent redetermination, effective immediately. Subsequent to October 1, 2023, all households that were approved during the pilot program period will remain on the subsidy program at each subsequent redetermination unless their income surpasses 185% of the FPL.

Frequently Asked Questions

1. Q: What is child care subsidy?

A: Child care subsidy is a program that utilizes state and federal Child Care and Development Block Grant (CCDBG) funds to assist families with the cost of child care. Applicants must meet eligibility requirements as outlined in CCDBG regulations including, but not limited to, income eligibility and an allowable need for care.

2. Q: What are the new federal poverty income limits?

A: The new FPL income limits are based on a household's total gross income. A chart with the new income limits for households is included below:

Household Size	100% FPL (Low Income - no family fee)	185% FPL (Initial)	200% FPL (Review/Redetermination)
2	\$1,437	\$2,658	\$2,874
3	\$1,810	\$3,349	\$3,620
4	\$2,184	\$4,040	\$4,367
5	\$2,557	\$4,730	\$5,114
6	\$2,930	\$5,421	\$5,860
7	\$3,304	\$6,112	\$6,607
8	\$3,677	\$6,802	\$7,354
9	\$4,051	\$7,493	\$8,100
10	\$4,425	\$8,184	\$8,847
Additional	(+) \$374	(+) \$691	(+) \$747

- 3. Q: If a household applies for child care subsidy in August (before August 28, 2021) and they exceed income limits using the previous FPL limits but are within income guidelines using the new FPL limits, will these applications be held until August 28, 2021?**

A: No, applications will be considered based on the information at the time of application. If a household is denied child care subsidy due to being over income before August 28, 2021, they will have to reapply on or after August 28, 2021, unless they have a decrease in income before August 28, 2021.

- 4. Q: If a household applied for child care subsidy in August (before August 28, 2021) and is denied due to exceeding income limits will they be contacted when the new FPL increases on August 28, 2021? Will they need to re-apply?**

A: Households that are denied for being over income before the FPL increase on August 28th will not be contacted when the FPL increases. Households will need to reapply after the FPL increase goes into effect on or after August 28, 2021.

- 5. Q: If an ongoing child care subsidy recipient has an increase in their income and is closed due to being over income at redetermination before the FPL increases, will they need to reapply for child care subsidy on or after August 28, 2021?**

A: Households will need to contact ACCESSNebraska after August 28, 2021, to determine if they are now within the income limits. If their child care subsidy case has been closed for less than a calendar month they will not need to reapply. If the case has been closed for a calendar month or more they will need to submit a new application.

- 6. Q: My child care provider told me to apply for the child care subsidy program but I have never applied before. How do I apply?**

A: You can apply over the phone with ACCESSNebraska at 1-800-383-4278, Omaha: 402-595-1258, Lincoln: 402-323-3900. You can apply online at www.AccessNebraska.ne.gov. You

may also request a paper application by contacting your local office or requesting one be sent by mail when contacting ACCESSNebraska at the above phone number.

7. Q: Are child care subsidy applications accepted on the weekends as the August 28, 2021, effective date falls on Saturday?

A: ACCESSNebraska is open Monday - Friday 8:00 AM CST - 6:00 PM CST. Online applications are available 24/7 at www.ACCESSNebraska.ne.gov. The application will not be received in the system until the next business day which will then secure the application date.

8. Q: Will my family fee increase or decrease due to the increase in the FPL income limits?

A: If a household's income remains the same their family fee will not increase or decrease. Family fees are based on 7% of the household's gross income. If you have had a recent decrease in income contact ACCESSNebraska at 1-800-383-4278, Omaha: 402-595-1258, Lincoln: 402-323-3900 to see about decreasing your family fee.

9. Q: Can I use any child care provider for the child care subsidy program?

A: The child care provider must be an enrolled child care subsidy provider. If the child care provider is not currently enrolled as a subsidy provider, the subsidy eligible household can refer any provider by contacting ACCESSNebraska.

ACCESSNebraska will need the following information for the unenrolled provider: provider name, provider address, provider telephone number, and provider Social Security Number (SSN) or Employer Identification Number (EIN).

The requested provider and all staff must complete Nebraska Prepare to Care (a free online health and safety training), pediatric Cardiopulmonary Resuscitation (CPR), and First Aid training prior to approval. Background check results for all household members age 13 or older are also required before approval if care is provided in the provider's home.

Some relatives may be exempt from some of these requirements and that determination will be made after the referral is reviewed by DHHS. The enrollment process must be completed before the requested provider will be reimbursed for any care provided. The options available during enrollment include selecting a provider who is currently enrolled, selecting to private pay the unenrolled provider or the provider may be willing to provide care free of charge. Authorizations will start from the date of enrollment.

10. Q: I was previously informed I am not eligible for child care subsidy due to a self-sufficiency clause. Will I become eligible for the program due to the newly increased FPL income limits?

A: If the child care case was closed due to lack of self-sufficiency this remains in effect per 392 NAC 2-013.05. If you have had a change in circumstance since this determination please contact ACCESSNebraska at 1-800-383-4278 Omaha: 402-595-1258, Lincoln: 402-323-3900 to reapply over the phone or you can apply online at www.ACCESSNebraska.ne.gov.

11. Q: What is the timeframe for my provider to be paid once I have applied for the child care program?

A: If your provider is currently enrolled as a child care subsidy provider they will be paid once you have been approved for the program and your authorizations have been created. The provider will need to submit claims that follow the authorization in order to be paid by the program.

12. Q: Can I use my current provider or do I need to find a new one?

A: Providers must be enrolled with DHHS as a child care subsidy provider. If the provider is not currently enrolled but would like to become an eligible provider a referral can be made as outlined in Question #9.

13. Q: My provider stated they do not accept child care subsidy and they are not willing to enroll in the program. Do I have to find a new provider?

A: If the provider is not willing to become a child care subsidy provider you will need to select a new provider if you choose to receive assistance from the child care subsidy program.

14. Do I have to use a provider who is licensed?

A: No, the provider will need to be an enrolled child care subsidy provider. If you choose a family, friend, or neighbor as your provider that is not currently an enrolled provider you can request a referral and follow enrollment procedures as outlined in Question #9.

15. Q: Will child care subsidy fully fund my child care costs or will I be required to pay a portion of the fees?

A: If a household's gross income limit exceeds 100% of the FPL they will be required to pay a family fee that totals 7% of their gross income. The family fee is paid directly to the child care provider as an upfront cost before the provider can request payment from child care subsidy. The enrolled provider is not allowed to charge the household the difference between subsidy rates and their private pay rates.

If you are required to pay a family fee the information will be listed in the child care authorization you will receive via mail. If you have a change in income that may decrease your family fee please report this updated wage information to ACCESSNebraska by calling 1-800-383-4278, Omaha: 402-595-1258, Lincoln: 402-323-3900, or by submitting a change report online at www.ACCESSNebraska.ne.gov.

16. Q: I submitted my review application in August for my September review and it was denied for being over income. Will my case be reopened after August 28, 2021?

A: DHHS will review all child care subsidy applications that are denied for being over income for a review application for September after the August 28, 2021 start date. DHHS will reopen and process any cases that were within the new income guidelines for reviews due after August 28, 2021.