



Budget Act of 2017 Webinar:

Review of Management Bulletins and Overview of 12-month Eligibility Provisions

Friday, July 28, 2017

9:00am-11:00am



Budget Act of 2017 Implementation Management Bulletins

**Hosted by California Alternative Payment Program
Association and California Child Development
Administrations Association in collaboration with
California Department of Education, Early Education and
Support Division**

CALIFORNIA DEPARTMENT OF EDUCATION
Tom Torlakson, State Superintendent of Public Instruction



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Budget Act 2017 ECE Provisions

Provisions affecting the administration of Early Education Programs:

- Update to State Median Income
- Graduated Phase-Out
- 12-month Eligibility
- Rate Increases
- Exceptional Needs Children in part-day CSPP
- Definition of Homeless Children and Youth
- Digital enrollment forms



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Agenda

- Increases to SMI
- 17-08 Update to SMI - Initial Certification
- MB 17-09 Graduated Phase-Out -
Recertification
- MB 17-10 Income Ranking Table Update
- MB 17-11 Updated Family Fee Schedule
- Overview of 12-month Eligibility Provisions



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Increases to SMI

- Department of Finance (DOF) calculates SMI based on the most recent census data.
- The entry threshold is 70% of SMI
- The exit threshold is 85% of SMI



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MB 17-08 Update to SMI- Initial Certification

- Families are income eligible for services when their adjusted monthly income is at or below 70% of SMI
- Updates only required when income exceeds 85% of SMI



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MB 17-08 Update to SMI- Initial Certification

- When initially certifying families, contractors must:
 - Use the 2017 Schedule of Income Ceilings
 - Inform families of mandatory reporting requirement
 - Notify families of the maximum adjusted monthly income they can earn and still receive services



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MB 17-09 Graduated Phase-Out – Recertification

- Families remain income eligible for services when their adjusted monthly income is at or below 85% of the SMI
- Families remain eligible for 12 months unless their adjusted monthly income exceeds 85% of SMI



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MB 17-09 Graduated Phase-Out – Recertification

- When recertifying families, contractors must:
 - Use the 2017 Schedule of Income Ceilings
 - Inform families of mandatory reporting requirement
 - Notify families of the maximum adjusted monthly income they can earn and still receive services



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MB 17-10 Updated Income Rankings

- Enroll families in accordance with priorities (Education Code, Section 8263):
 - CPS and at-risk
 - All other families in income ranking order
- The income ranking table is updated to reflect the new SMI for initial enrollment
- Contractors must use the revised income ranking table to initially enroll families



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MB 17-11 Revised Family Fee Schedules

- The Family Fee Schedule was updated to reflect changes to the SMI
- Assessment is a flat monthly fee based on hours of need, adjusted monthly income and family size
- Exceptions to Family Fee:
 - CalWORKs cash-aid families
 - Part-day CSPP
 - CPS or at-risk children may be exempt from fees



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MB 17-11 Revised Family Fee Schedules

- Effective July 1, 2017, a contractor may only assess the family fee:
 - At initial enrollment or recertification
 - When a parent requests a reduction to their family fee.
 - To recalculate family fees for currently enrolled families whose fee was assessed using the 2014 Family Fee Schedule



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MB 17-11 Revised Family Fee Schedules

The contractor must assess Family Fees as follows:

- For families with **predictable** schedules assess fees in accordance with *EC* and *California Code of Regulation, Title 5 (5CCR)*
- For families' whose employment is **unpredictable** schedules
 - Average the work schedule for the four months preceding certification, using the verified work schedule.



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MB 17-11 Revised Family Fee Schedules

- If no work history is available, assess the fee based on
 - 1) verified hours the employer expects parent to work or
 - 2) self-employment documentation from the parent
- Project the average number of hours the parent is expected to work per month over the next 12 months



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MB 17-11 Revised Family Fee Schedules

- For families that requests a reduction to their family fee:
 - The parent must provide documentation to support the reported change
 - Once fee is reassessed, the contractor must issue a NOA, effective the first day of the month following the issuance of the NOA
 - Families must be provided due process



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MB 17-11 Revised Family Fee Schedules

- To recalculate the fees for all currently enrolled families:
 - Using existing documentation, contractors must reassess family fee based on the 2017 family fee schedule.
 - Contractors must not require families to provide additional documentation.
 - The effective date will be July 1, 2017.



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MB 17-11 Revised Family Fee Schedules

- Issue a NOA
- Due process
- Families must be issued a credit or refund for any overpayment of fees.
- Contractors have until September 30, 2017 to complete this process



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12-Month Eligibility

- Once a family establishes eligibility and need, they will remain eligible and receive services for not less than 12 months, except:
 - Income eligible families with incomes above 85 percent of SMI
 - Income eligible families who voluntarily report changes, reduce family fees, or increase service schedule



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12-Month Eligibility

- Families certified or recertified as seeking employment eligibility shall receive services for not less than six months
- By October 1, 2017, the California Department of Education, Early Education and Support Division (CDE, EESD) provide guidance and instructions regarding the implementation of these provisions.



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12-Month Eligibility

- By December 31, 2018 a rulemaking action to revise *California Code of Regulation*, Title 5 will be initiated.
- As part of this action a workgroup of parents, advocates, department staff, child development program representatives and other stakeholders will be convened to develop recommendations.



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12-Month Eligibility

- Because currently enrolled families are considered eligible until their next certification (12-months), payments made to contractors for services provided during this period will not be considered an error or an improper payment due to changes in the family's circumstances during the same period.



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Additional Information

- New child care eligibility, increase to income eligibility ceilings, and reporting requirements must be applied to all currently and newly-enrolled families.
- Assembly Bill 99, 2017–2018 Education Omnibus Budget Trailer Bill Web page at http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180AB99.



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