Care 4 Kids Program



Program Policy TRANSMITTAL

Transmittal Number: C4K-POL-21-02 Date: March 17, 2021

> To: Sherri Sutera, Program Director

> > Care 4 Kids (C4K)

From:

Beth Bye, Commissioner Office of Early Childhood

CC: Distribution List

Subject: Assessing and Calculating Temporary Increases in Pay

Program Issue: Every three years the Office of Early Childhood (OEC) is required to complete an Error Rate Review to determine Connecticut's payment error rate. The OEC Error Rate Review completed in June 2019 found a high number of payment errors related to income calculations process. Many of these errors were related to the Care 4 Kids (C4K) business processes regarding income calculation and multistep verification processes that delay the issuance of certificates and cause payment errors.

Background: Temporary increases in pay have been identified as an aspect of the eligibility process that has led to errors in income calculation. The purpose of this transmittal is to streamline processes for calculating temporary increases in pay while still operating within the Regulations of Connecticut State Agencies (RCSA).

RCSA § 17b-749-05(a)(2) provides "[a] family whose income equals or exceeds the established income limit shall be ineligible for CCAP, unless the income exceeds the limit for not more than one calendar month due to an extra pay period or other temporary increase."

RCSA § 17b-749-05(d)(1) provides in part "[g]ross income shall be calculated based on the best estimate of the income the family is expected to receive."

Policy Directive:

A. Definition

For purposes of the C4K program, the following definition shall apply:

1. "Temporary increase in pay" means any increase in pay received which is secondary to the individual's typical wages or salary that are non-consistent and temporary in nature. Temporary increases in pay include, but are not limited to, bonuses, incentives, or other income received as an award for good performance.

B. Calculation of Temporary Increases in Pay

Effective April 1, 2021, when income is calculated at application, redetermination, or within a 12month eligibility period, temporary increases of pay shall be assessed as follows:

If the income is listed only in the "Year to Date" (YTD) section of income documentation, the income shall not be included in the calculation of the individual's income.

- If the income listed in the "Current Earnings" section of the income documentation is the same amount listed in the YTD section of the income documentation the income **shall not be included** in the calculation of the individual's income.
- If the income is listed in the "Current Earnings" section of income documentation is less than the amount listed in the YTD section of the income documentation, the income listed in the YTD column **shall be** included in the calculation of the individual's income. The income shall be calculated based on a weekly average from January 1 (of the year in which the income documentation was received) to the date of eligibility determination.
- These guidelines shall not apply to varying hourly wages or salaries.

Questions concerning this transmittal can be referred to Office of Early Childhood at 860-500-4421.

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