
Care 4 Kids Program



Program Operations TRANSMITTAL

Transmittal Number: C4K-POL-19-08

Date: August 9, 2019

To: Sherri Sutera, Program Director
Care 4 Kids Program

From: Harriet Feldlaufer, Director of Early Care and Education
Office of Early Childhood

CC: Distribution List

Subject: **Graduated Phase-Out (revised)**



Program Issue: Effective September 30, 2019, at redetermination, families whose income has increased above the state's initial income threshold (>50% SMI) but remains below the second eligibility threshold (< 65% SMI) will remain income eligible for the program.

Background: The CCDBG Act of 2014, 42 U.S. Code § 9858c (c)(2)(N)(iv)) requires States and Territories to provide for a graduated phase-out of assistanceⁱ for families whose income has increased at the time of redetermination, but remains below the second tier eligibility threshold set by the state.

Directives: Starting on September 30, 2019, at redetermination, Care 4 Kids will provide a second income eligibility threshold (< 65% SMI) to families whose redetermination date is October 1, 2019 and beyond. Families must meet all other program eligibility requirements. At interim change, if the family's income increases but remains at or below 85% SMI the family must remain eligible for the remainder of the 12 month eligibility cycle. . A family **will remain** on the program if they meet all program eligibility requirements and their income is (<65% SMI) at re-determination.

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

HF:ct

ⁱ "ACF strongly encourages States and Territories to consider how to continue to support families through access to financial assistance for child care until they have achieved financial stability. Pending additional guidance from ACF, this could be achieved through policies such as establishing a second income eligibility threshold at re-determination (e.g., establishing a different eligibility threshold for families first applying for assistance and those already receiving assistance, sometimes called an "exit threshold") The law allows the exit threshold to be set as high as 85% of SMI. (Reference: Section 658E(c)(2)(N)(iv))" Source: <https://www.acf.hhs.gov/occ/faq/what-is-the-new-requirement-for-graduated-phase-out-of-assistance>