PROGRAM OVERVIEW

The goal of the Child Development and Care (CDC) program is to support low-income families by providing access to high-quality, affordable and accessible early learning and development opportunities and to assist the family in achieving economic independence and self-sufficiency.

The Child Development and Care program is intended to promote continuity of care and to extend the time an eligible child has access to child care assistance by providing a subsidy for child care services for qualifying families.

INTRODUCTION

Once eligibility has been determined, the child(ren) will remain eligible for the entire 12-month certification period unless the CDC EDG closes for one of the reasons listed in BAM 220. A change or termination in the parent/substitute parent's (P/SP) valid need reason will not affect the child's eligibility.

At application or redetermination, eligibility for CDC services exists when the department has established **all** of the following:

- There is a signed application and a request for CDC services.
- Each child for whom CDC is requested is a member of a valid *eligibility group*.
- Each P/SP meets the *need* criteria as outlined in this item.
- All eligibility requirements are met.

ELIGIBLE CHILDREN

The child(ren) needing child care services must be one of the following:

- Under age 13 at application or redetermination.
- Age 13, but under age 18 when one of the following apply:
  - Requires constant care due to a physical/mental/psychological condition.
  - Supervision has been ordered by the court.

- Age 18 and requires constant care due to a physical/mental/psychological condition or a court order, and is all of the following:

  - A full-time high school student.
  - Reasonably expected to complete high school before reaching age 19.

Verify need for CDC services for children over age 12 with a copy of the court order or a statement by a D.O. or M.D.

Note: Eligible children who turn age 13 during a CDC pay period are eligible through the end of the 12-month continuous eligibility period.

ELIGIBILITY CHART

The following chart provides the valid CDC services by eligibility group and need reason.

Child Development and Care Eligibility Chart Effective January 1, 2016				
Eligibility Groups	**Valid Need Reasons** Each CDC parent/substitute parent must be unavailable due to a valid need reason.			
	Family Preservation	**High School Completion**	**Approved Activity**	**Employment**
Children's Protective Services	✓ If required by an active Protective Services Case plan			
Foster Care	✓ If required by an active Foster Care Case plan	✓	✓	✓
FIP Related	✓	✓	✓	✓
Migrant	✓	✓	✓	✓
Homeless	✓	✓	✓	✓
Income Eligible*	✓	✓	✓	✓

Income Determination Required; see RFT 270.

PARENT/ SUBSTITUTE PARENT

At application or redetermination, each P/SP must demonstrate a valid need reason. This section specifies who must demonstrate those valid need reasons.

Parent/substitute parents are often the same for all the children in the family. However, there are some homes where the children may not all share the same P/SP. Therefore, P/SPs must be identified separately for each child for whom CDC is requested. P/SP means the following person(s) who live in the home and are unavailable to care for the child due to a valid need reason:

- The child's legal or biological parent(s).
- The child's stepparent.
- The child's foster parent(s).
- The child's legal guardian(s).
- The applicant/client, if:
  - The child has no parent, stepparent or legal guardian who lives in the home.
  - The child's only P/SP that lives in the home is excluded from providing the care; see Need in this item.

Note: See BAM 220, CDC MEMBER ADD for CDC member add requirements.

NEED

There are four valid CDC need reasons listed below. Each P/SP of the child needing care must have a valid need reason when child care is requested. Each need reason must be verified.

1. Family preservation.
2. High school completion.
3. An approved activity.
4. Employment.

Note: A P/SP may be considered as unavailable and excluded from providing the care if a court order mandates that he/she not be alone with the child or if he/she is the person being investigated for the neglect or abuse of any child in a confirmed open children's protective services case.

However, in no instance is information to be shared with the client regarding the family member's status on the central registry. If the only P/SP in the home is considered unavailable due to this reason, the availability of the applicant/client must be considered in determining need.

Note: In two-parent households, both parents' need reasons must be verified at application and redetermination with the appropriate verification.

Multiple Need Reasons May Exist

More than one need reason may exist in some cases. Consider each need reason (family preservation, high school completion, approved activity, employment) separately to determine need hours.

Example: A P/SP may need child care while at work and also when attending school.

In a two-parent household, there may be instances when both are unavailable at the same time, due to different need reasons. When there is more than one need reason, enter all applicable need reasons. Bridges will select the appropriate hierarchy when the case is certified.

REQUEST FOR ADDITIONAL NEEDS

When a client requests additional assistance during the 12-month continuous eligibility period, and verifications are needed, generate the MDHHS-5419, Child Development and Care (CDC) Request For Additional Assistance, from Bridges *left navigation*. The MDHHS-5419 allows the client to request additional CDC assistance (need reason, hours and/or provider).

If the MDHHS-5419 and required verifications are returned by the due date:

- Log the MDHHS-5419 into Bridges as being received.
- Process the change according to BAM 220.

Note: If only the verifications are returned, the MDHHS-5419 should be logged as being received, to prevent the MDHHS-5420, Child Development and Care (CDC) Continued Benefits Notice,

from being automatically generated. The MDHHS-5420 is mailed to inform the client the additional need request will not be processed due to missing or incomplete verifications.

If the MDHHS-5419 and or verifications are not received by the due date:

- The MDHHS-5420 will be generated and sent 10 calendar days after the due date on the MDHHS-5419.
- There will be no change to the client's benefits.

Note: If the verifications are received after the due date, but before the MDHHS-5420 is generated, process the change according to BAM 220.

NEED REASONS

1. Family Preservation

Child care may be approved for a child whose P/SP is:

- Unavailable to provide care because they are participating in a court-ordered activity.
- Unavailable to provide care because they are required to participate in the treatment activity of another member of the CDC program group, the CDC applicant or the CDC applicant's spouse who lives in the home.
- Unable to provide care due to a condition for which they are being treated by a physician.
- Unavailable to provide care due to an employment or educational need that is part of the child protective services/foster care services case plan.

Child care for this need reason cannot be authorized for **ongoing** 24-hour care.

Note: The family preservation need is based on the P/SP's need, not the child's need.

Allowable conditions may include, but are not limited to the following:

- Disability or mental disturbance.
- Chronic health conditions.
- Drug/alcohol abuse.
- Social isolation.
- Domestic violence.
- History of child abuse/neglect in family or poor, inadequate parenting.

Allowable treatment activities may include, but are not limited to the following:

- Hospitalization.
- Physical therapy.
- Occupational therapy.
- Speech therapy.
- Counseling sessions.
- Alcoholics Anonymous (AA) meetings.
- Narcotics Anonymous (NA) meetings.
- Parenting classes.
- Support classes.
- Food and nutrition classes.
- Court-ordered community service.
- Money management classes.

Unless part of the foster care services plan, allowable treatment activities do not include elementary, secondary, post-secondary or vocational education classes under this need reason. Specialists who receive notice that an educational activity is necessary as part of the foster care services plan should use family preservation as the need reason and refer the client to the one-stop service center for approval. If the one-stop service center approves the educational activity, the specialist should change the need reason to approved activity. If the one-stop service center does not approve the activity, continue to use family preservation as the need reason for as long as indicated by the foster care worker.

Note: Child care payments may **not** be approved for respite care, as defined in BPG Glossary.

The DHS-4575, Child Development and Care (CDC) Proof of Family Preservation Need, must be used to document the family preservation child care need. The form must be signed by one of the following:

- A physician (M.D. or D.O.).
- The MDHHS children's protective services, foster care services, or preventive services worker if child care is needed to allow a parent/substitute parent to participate in a treatment activity as a component of an active children's protective services, foster care services or preventive services case plan.
- A clinical psychologist.
- A clinical social worker.
- The clinical supervisor or director of a substance abuse treatment program.
- A substance abuse counselor.
- The specialist, if it is a MDHHS-assigned family support services (FSS) activity.

  Note: Child care needed for MDHHS-assigned FSS activities may be paid using Direct Support Services (DSS) funds or the CDC program if eligibility exists. Take care to avoid duplicate payments.

The DHS-4575 must be completed at application and redetermination.

The DHS-4575 verifies:

- The reason CDC services are needed (diagnosis of condition or explanation of activity which prevents the P/SP from providing the care).
- The activities in which the P/SP is expected to participate while the child is receiving CDC services.
- How often the P/SP is being treated/seen.
- The length of time CDC services will likely be required.
- The days per week and number of hours per day that child care will be needed.
- The child(ren) needing child care.

2. High School Completion

Child care may be approved for a child whose P/SP is enrolled full or part-time, as defined by the educational institution, in order to participate in classes leading to a high school diploma or its equivalent.

Examples of this need reason would be high school completion, general educational development (GED), adult basic education (ABE) or English as a second language (ESL) classes.

Verify the educational activity and number of hours of the activity with one of the following:

- A completed copy of the DHS-4578, Child Development and Care (CDC) Proof of Education.
- Documentation from the institution that includes all of the following (contact the institution if information is questionable or not clear):
    - Student's name.
    - Name of the institution.
    - Class schedule.
    - Program begin and end dates.

If any portion of the education program is online, and time, location, and pace of instruction is the student's choice, clarify with the institution the estimated online class time per week. Use this information to authorize hours, and document it in the case record.

If requested, authorize study time up to one hour for each hour of class time. Tutoring is considered study time.

Obtain this verification and file it in the case record at application, redetermination, or when additional assistance is requested for this need reason.

3. Approved Activity

Child care may be approved under this need reason when a P/SP needs child care to participate in one of the following:

- Employment preparation and/or training activity.

- Employment preparation and training programs are presumed to be occupationally relevant. If questionable, email the CDC office at Policy-CDC@Michigan.gov.

- Post-secondary education.
  - Online educational programs can be approved.
  - Child care benefits for this need reason cannot be approved for graduate, medical, or law school.
  - Educational programs are presumed to be occupationally relevant. If questionable, email the CDC office at Policy-CDC@Michigan.gov.

- Homeschooling Activity-The P/SP who homeschools their children.
  - The program cannot be a virtual school. Virtual school classes are held over the internet and may be self-lead or instructor led.
  - Online public or private schools are not considered homeschooling. Online public and private schools are K-12 educational institutions that deliver curriculum and instruction over the internet.
  - Only one parent may use home schooling as a need reason.
  - The parent or legal guardian is the primary educator.
  - The caregiver has younger children in the home who are not in school or are not being home schooled.
  - Only the younger children in the group are eligible for the CDC Scholarship.
  - Up to 6 hours of home schooling per day may be authorized. Include 10 hours of biweekly drive time to the need hours.
  - The educational program must be verified.

- Verify a caregiver's homeschooling activity with one of the following:

- A copy of the registration from the homeschooling company.
- The parents homeschooling identification card.
- The students homeschooling transcript which must include all of the following:
  - Students full name and complete home address.
  - Student's ninth grade start date (mm/dd/yyyy). This date should reflect when the student started night grade regardless of where the student was attending ninth grade and/or if the student completed any pre-ninth grad coursework.
  - Course titles, grades achieved, units of credit for each course. No course should receive more than 10. Unit of credit.
  - Grading scale.
  - Academic year in which the course was taken (ex. 11th grade, junior year 2024-25).
  - Graduation date.
  - Homeschool administrator's signature.

Child care needed to enable a P/SP to attend compliance test activities may also be approved under this need reason if eligibility requirements are met. Direct support services (DSS) may be used for these activities; see BEM 232. Whatever option is used, care must be taken to avoid duplicate payments.

The activity or education program must be approved by one of the following:

- Michigan Department of Health and Human Services (MDHHS).
- One-stop service center (for example Michigan Works Association).
- Refugee services contractor.
- Tribal employment preparation program.

- Michigan Rehabilitation Services (MRS).
- Michigan Department of Lifelong Education, Advancement, and Potential (MiLEAP), CDC office.

Verify the activity or educational program and number of hours with one of the following:

- A completed copy of the DHS-4578, Child Development and Care (CDC) Proof of Education.
- Documentation from the institution or program that includes all of the following (contact the institution or program if information is questionable or not clear):
    - Student's name.
    - Name of the institution or program.
    - Class schedule.
    - Program begin and end dates.

Note: If any portion of the education program is online, and time, location, and pace of instruction is the student's choice, allow one hour per credit hour per week. If more hours are requested than supported by documentation, clarify with the institution or program the estimated online class time per week. Use this information to authorize hours, and document it in the case record.

If requested, authorize study time up to one hour for each hour of class time and required lab time. Tutoring is considered study time.

Obtain this verification and file it in the case record at application, redetermination, or when additional assistance is requested for this need reason.

4. Employment

Child care may be approved for P/SPs who are employed or self-employed and receive money, wages, self-employment profits or sales commissions. For P/SPs who are grandparents or guardians, their income is excluded but must still be verified and entered into Bridges.

Note: A P/SP is not eligible for CDC if his/her only need reason is employment as a license exempt-related or license exempt-unrelated child care provider, regardless of enrollment in the CDC program.

P/SPs participating in the following activities are considered to meet the need criteria based on employment including:

- Jury duty.
- Residency/internship for which wages are received.

  Note: If wages are not received, the need should be categorized as approved activity.

- Required to be on call.
- Required strike duty.
- Sleep periods (up to eight hours) for the employed P/SP when:
  - This person is the only P/SP available to provide care during the time period for which CDC is being requested.
  - This person works during the child's normal sleep time.
  - This person must sleep when the child is awake.
- The paid employment portion of a co-op or work study program.

Tools to Verify Need Based on Employment/Self-Employment

Self-employment: Use the following tool to verify the **need** for CDC based on self- employment:

- **DHS-431**, Self-Employment Income and Expense Statement.

  Note: S-Corporations and Limited Liability Companies (LLCs) are **not** self-employment; see BEM 502.

Employment: Use one of the following as tools to verify the **need** for CDC based on employment:

- A copy of a work schedule indicating the number of hours worked.
- Pay stubs indicating number of work hours.
- **MDHHS-38,** Verification of Employment, completed by the employer.

- Equifax Verification Services (formerly known as the TALX/Work Number) and MIS (Management Information System).

- **DHS-3569,** Agricultural Worker Income Verification, completed by the employer.

- **Signed statement** by the employer that contains:

  - Employment begin date.
  - Number of hours the client works.
  - For income eligible clients, dates and amounts of client's paychecks for the requested period.

- **Collateral contact** with the employer **if** the employer refuses or is unable to complete the MDHHS-38, DHS-3569, or a signed statement, or if the client is unable to obtain his/her work schedule from the employer or the pay stubs do not indicate number of work hours. Complete the MDHHS-38 or DHS-3569 based on the information obtained from this contact.

When to Verify Need

Verification of need must be obtained at application and redetermination, or when there is a request for an increase in need hours during 12-month continuous eligibility.

ELIGIBILITY GROUPS

There are six eligibility groups. Five are income waived and one is income eligible. All eligibility groups must not have assets that exceed $1 million.

To be eligible for CDC payments, the P/SP must:

- Apply for CDC.
- Meet the requirements of an eligibility group.
- Have a valid need reason (at application and redetermination).
- Use an eligible provider.

Each P/SP of the child needing care must have a valid need reason when child care is requsted.

All children needing care must be U.S. citizens or have an acceptable non-citizen status; see BEM 225.

Determine eligibility by assessing CDC Protective Services eligibility first, then income eligibility. More than one eligibility group may exist in some cases.

Note: The eligibility category is based upon the child's circumstances. Cases with more than one child may have more than one eligibility category.

CDC PROTECTIVE SERVICES

The following five eligibility groups are income waived and do not require an income determination:

- Children's protective services.
- Foster care.
- FIP-related.
- Migrant farmworkers.
- Homeless.

Children's Protective Services

CDC eligibility for the child whose family has an **open** children's protective services case may be based solely on the need (family preservation) verified in the case record with the DHS-4575, Child Development and Care Proof of Family Preservation Need.

Foster Care

CDC may be approved in the foster care eligibility category when the child needing care has an active MDHHS foster care case.

Note: P/SP need reason requirements must also be met; see *need* in this policy item.

If foster care eligibility is expected but not produced in Bridges, contact Children's Services to confirm the child has an active foster care case and has been placed in the CDC applicant's home. If questions remain, contact the CDC Policy mailbox: policy-cdc@michigan.gov.

Eligibility for CDC for active MDHHS foster care cases ends on the date the child(ren) is removed from the foster parent's home.

If a foster child is adopted by the child's current foster parents during the 12-month continuous eligibility period, CDC should remain open until redetermination with no negative action taken on the case. Assistance from the Bridges Resource Center (BRC) is required.

FIP Related

A child who needs care may qualify under this eligibility group if:

- The child needing care receives FIP or SSI.
- The P/SP of the child needing care receives FIP or SSI.
- The family has a pending application for FIP and CDC is needed to participate in a required one-stop service center/MDHHS activity.

Note: P/SP need reason requirements must be met; see *need* in this policy item.

Migrant Farmworkers

CDC may be approved in the migrant eligibility category when the P/SP states he/she is a migrant farmworker on the MDHHS-1171, Assistance Application or the MI Bridges application. Eligibility based on migrant status does not need to be verified.

Note: P/SP need reason requirements must be met; see *need* in this policy item.

Homeless

CDC may be approved in the homeless eligibility category when a child is considered to be homeless based on the McKinney-Vento Homeless Assistance Act of 1987, as amended 2015.

Note: P/SP need reason requirements must also be met; see *need* in this policy item.

Examples of a child being homeless are:

- Sharing housing due to economic hardship or loss of housing.
- Living in motels, hotels, trailer parks, or camp grounds due to lack of alternative accommodations.
- Living in emergency or transitional shelters.

- Children whose primary nighttime residence is not ordinarily used as a regular sleeping accommodation (for example park benches, etc.)
- Living in cars, parks, public spaces, abandoned buildings, substandard housing, bus or train stations.

Below are some questions that may be used to determine if a child is homeless:

- How long have you been living with others? Is this a temporary situation?
- Are you sharing housing due to loss of housing? Economic hardship? Other?
- Is your name on the lease? Could you be asked to leave at any time?
- Where would you live if you were not sharing housing?

Eligibility based on the homeless category does not need to be verified. Verification of need is required.

INCOME ELIGIBLE

If the child does not qualify for one of the CDC Protective Service groups, determine eligibility for the income eligible group.

To be eligible for the CDC program at application, a program group's countable gross monthly income must not exceed the maximum monthly gross income limit by family size associated with the program entry limit (the column marked ***entry***). Income eligible families may have a co-payment amount called a family contribution. For program group definition; see BEM 205.

After initial eligibility has been determined, a family's income must not exceed the maximum monthly gross income eligibility limit by family size associated with the program exit limit. For income limit and family contribution amounts; see RFT 270.

Note: During 12-month continuous eligibility, CDC income eligibility ends if the family's gross income exceeds the program exit limit, unless the increase is determined to be temporary excess income. For temporary excess income details; see BEM 505.

CDC for Income Eligible Clients

CDC may be provided for income eligible clients who:

- Do not qualify as a member of a CDC Protective Services group.
- Have a valid need reason.
- Pass the income eligibility test.
- Have child(ren) needing care who meet the U.S. citizenship/non-citizen status requirements as described in BEM 225.

Income Eligibility Ends

CDC eligibility ends for this category when the program group's income exceeds the income eligibility scale; see RFT 270.

Exception: CDC income eligibility will continue if the increase is determined to be temporary excess income; see BEM 505.

LEGAL BASE

The Child Care and Development Block Grant (CCDBG) Act (42 USC § 9858 et seq.), as amended by the CCDBG Act of 2014 (Pub. L. 113-186).
45 CFR Parts 98 and 99.
Social Security Act, as amended 2016.
McKinney-Vento Homeless Assistance Act of 1987, amended 2015, 42 USC 11431 *et seq.*