

**DEPARTMENT OF SOCIAL SERVICES**  
744 P STREET, SACRAMENTO, CALIFORNIA 59814



July 12, 1999

ALL-COUNTY LETTER NO. 99-47

TO: ALL COUNTY WELFARE DIRECTORS  
ALL CHILD CARE COORDINATORS  
ALL ALTERNATIVE PAYMENT  
PROGRAM PROVIDERS  
ALL COUNTY WELFARE-TO-WORK  
COORDINATORS

REASON FOR THIS TRANSMITTAL

- State Law Change  
 Federal Law or Regulation Change  
 Court Order or Settlement Agreement  
 Clarification Requested by One or More  
Counties  
 Initiated by CDSS

SUBJECT: REIMBURSEMENT OF STAGE ONE CalWORKs CHILD CARE DURING THE STATE  
HEARING PROCESS

REFERENCE: AB 1542, CHAPTER 270, STATUTES OF 1997, AB 2779, CHAPTER 329, STATUTES OF  
1998; AB 2772, CHAPTER 902, STATUTES OF 1998

The purpose of this All County Letter (ACL) is to outline the instances when CalWORKs Stage One child care services may continue following a request for a hearing to appeal a suspension, reduction, or termination of child care. The instructions in this ACL supplement the provisions in the CalWORKs child care regulations filed on December 28, 1998. The regulations currently state that CalWORKs child care services must be available for any recipient who is employed or participating in county approved welfare-to-work activities. Policies and Procedures Manual Section 47-420.32 states that child care services are not to be paid at a rate higher than the rate stated in the Notice of Action (NOA) pending the hearing decision. This ACL clarifies when child care services may continue following a request for hearing, notwithstanding those regulations.

The primary purpose of CalWORKs child care is to ensure that eligible recipients receive child care for the hours they are employed or are participating in county-approved welfare-to-work activities. Concern has been expressed that a family may lose its child care services for employment or an approved welfare-to-work activity during a dispute about changes in a participant's activities. The statutory requirement to provide child care takes precedence over any regulation that conflicts with any other requirement. The California Department of Social Services (CDSS) has filed regulations that should be finalized shortly which reflect this change.

**A recipient who is employed or who is participating in welfare-to-work activities must be provided paid child care of the parent's choice during the hearing process at the rate and frequency approved prior to issuance of the NOA prompting the request for a hearing.** Child care paid pending a hearing should be paid when the recipient is currently employed or is participating in an approved welfare-to-work activity; and the provider is licensed, TrustLine registered, or is otherwise eligible to receive payment. If the above criteria is met and a participant files a timely hearing request, child care paid pending the hearing is appropriate when the county has discontinued or suspended child care or reduced the amount of hours approved for child care payment. An example of the above is when the county sends a NOA to an employed participant stating that her child care services are being reduced based upon documentation received from the employer. If the participant disagrees with the information in the NOA and files a timely hearing request, child care pending the hearing is paid at the rate and frequency arranged prior to the NOA reducing the child care hours. Should the hearing decision rule against the participant, child care paid during the hearing process would be an overpayment.

Some examples of when child care paid pending a hearing would not be appropriate include when a recipient is not currently employed or is not participating in a previously approved welfare-to-work activity, or a provider has not been TrustLine registered or is otherwise not eligible to receive reimbursement. Other instances include when a child is 13 years of age or older, or when it has been documented that the provider is no longer providing the services. In all instances, the county is responsible for documenting the recipient's eligibility or ineligibility for child care services.

Counties should ensure that applicable child care NOAs are modified to reflect the direction in this letter. It is anticipated that sample NOAs will be available for county use in the near future.

These instructions are effective immediately. If you have questions about information contained in this letter, please contact the Child Care Programs Bureau Consultant assigned to your county by calling (916) 657-2144.

Sincerely,  
***Original Document Signed by  
Bruce Wagstaff on 7/12/99***

BRUCE WAGSTAFF  
Deputy Director  
Welfare to Work Division