



Questions and Answers about CalWORKs Child Care: Family Fees

1. What is CalWORKs?

CalWORKs cash aid (welfare), is a California program that gives money each month to qualified low-income families.¹ CalWORKs replaced AFDC in 1998.² Time limits and work requirements apply to people who get CalWORKs cash aid.³

2. What is CalWORKs Child Care?

CalWORKs child care is help paying for child care. There are other programs that can help pay for child care, but CalWORKs child care is the biggest. CalWORKs pays monthly child care costs if

- You get CalWORKs cash aid now, or
- You got CalWORKs cash aid in the past, or
- You got a lump-sum diversion payment to stay off CalWORKs cash aid.⁴

Also, you must have a low income and either be working or be participating in welfare-to-work activities such as going to school or doing community service.⁵

3. Can I Get Help Paying for Child Care Even if I Have Never Gotten CalWORKs?

Yes, many programs can help you such as preschool programs or subsidized child care centers. However, they often have long waiting lists. It is a good idea to get on the waiting list. Call your Resource and Referral agency for help.

4. If I am Getting Help Paying for Child Care, Do I Need to Pay Anything?

Families getting CalWORKs cash aid almost always get free child care.⁶ Families that do not get CalWORKs cash aid may have to pay a fee that depends on their income.⁷

Tip: As of August 2002, the family fee for a family of three earning \$2,900 per month is \$10.10

per day. The California Department of Education website, <http://www.cde.ca.gov>, has the family fee schedule in Management Bulletin 00-14, September 2000.

5. What are Alternative Payment Programs?

Alternative Payment Programs (APPs) are agencies that contract with the California Department of Education to help people pay for child care.⁸ When you get or are transitioning off CalWORKs cash aid, APPs work closely with the county welfare department to make sure that you get child care if you need it.

Tip: Call a Resource & Referral agency (see resource box) to get information about your APP.

6. What are Resource & Referral Agencies?

Resource and Referral agencies (R&Rs) give parents referrals to local child care providers and give support to child care providers. R&Rs are not part of the county welfare department, but often have staff located in the county welfare departments.

7. What are the Income Limits to Get Help Paying for Child Care?

You can get CalWORKs child care regardless of your income if you get CalWORKs cash aid and you are doing a welfare-to-work activity or working. If you do not get CalWORKs cash aid, the income limit is 75% of the state median income.⁹ In August 2002, the limit was \$2925 per month for a family of 3.¹⁰

8. What Are CalWORKs Child Care Stages?

CalWORKs child care is divided into three Stages. These Stages are supposed to be seamless so that you have no trouble moving from one Stage to the next. The California Department of Social Services is responsible for Stage 1, and the

California Department of Education is responsible for Stages 2 and 3. County welfare departments generally run Stage 1, and Alternative Payment Programs generally run Stages 2 and 3.¹¹

Tip: Look at your Notice of Action to find out what Stage you are in. Different rules apply to the three Stages.

Note: Counties have a lot of discretion about which stage to put a family in. Look at our county CalWORKs plan and county regulations to check what your county is doing.

9. What Kind of Child Care Will CalWORKs Pay for?

CalWORKs lets you choose the type of child care that you think is best for your children.¹² You have many options:

- A relative, friend, neighbor, or babysitter who may care for only a few children,
- A family child care provider taking care of a small group of children (from 1 to 14) in his or her home,
- Some recreational programs,¹³ or
- A licensed child care center that may serve a large number of children.

Tip: Search for quality child care that best meets your child's needs. Your Resource and Referral agency can help.

Note: CalWORKs will not pay for care by parents or members of your household.¹⁴

10. What Will CalWORKs Child Care Pay?

Your provider will be paid whatever she usually charges for people who pay for child care themselves, up to the Regional Market Rate.¹⁵ This rate, set by a yearly survey, is higher than most child care providers in a community charge.¹⁶ The payment amount depends on the county, children's age, type of child care provider, and whether or not a child has special needs based on a physical or mental disability.

Example: As of June 2002, for center-based care for a child under two years old, CalWORKs will pay up to \$1295.50 in San Francisco County, \$996.50 per month in Los Angeles County, and \$593 in Butte County.

Tip: See the California Department of Social Services website, <http://www.dss.cahw.net.gov>, DSS All County Letter 01-39.

11. Must My Provider Be Licensed?

Child care providers do not have to be licensed (they are considered "license-exempt")¹⁷ if they

- Care for the children of only one family other than their own or are relatives, or
- Care for the children in the children's home, or
- Are recreational programs.

Note: CalWORKs will pay for child care providers located on Indian reservations if the provider meets tribal standards.¹⁸

Tip: Except for close relatives, most license-exempt child care providers must fill out a Health and Safety Self-Certification form, be fingerprinted, and go through a criminal record check called Trustline.¹⁹

12. What is a Family Fee?

If your income is above a certain level, you must pay a portion of the cost of your child care. This payment is called a family fee. Family fees are different from co-payments. See question 14.

13. How Much Will My Family Fee Be?

Your family fee depends on your income and your family size. If your income is less than 50% of the State Median Income (SMI), or you get CalWORKs cash aid, you do not usually have to pay a family fee. If your income is above 50% of the SMI, you will have to pay a family fee.

Example: If you have family of 4 with an income of \$2513, your family fee will be about \$124 per month for full-time day care.²⁰

14. What is a Co-Payment?

If you choose an expensive child care provider who charges more than the maximum amount that your child care subsidy will pay, then you may have to pay the extra amount, which is called a co-payment.²¹ A co-payment is different from a family fee. Whether or not you have to pay a family fee depends on your income; whether or not you have to pay a co-payment depends on how much your child care provider charges.

Example: You and your 3-year old son live in Contra Costa County. The maximum amount that your child care subsidy will pay for family child care is \$690.50 per month.²² You choose a family child care home that charges \$790.50 per month. You must pay a co-payment of \$100 per month,

the difference between the amount your provider charges and the maximum amount your subsidy will pay.

Note: Since the maximum child care subsidy payment rate is generally higher than most child care providers charge, most families do not need to pay co-payments (See question 10).

15. Is it Possible that I Will Have to Pay Both a Family Fee and a Co-Payment?

Yes. For example, if your income is high enough for you to pay a family fee and you choose a child care provider who charges more than the maximum amount that your subsidy will pay, you will have to pay both a family fee and a co-payment.

16. What if I Don't Pay My Family Fee?

If you don't pay your family fee, you may lose your child care subsidy.²³ Your child care payment agency will send you a Notice of Action before taking away your child care subsidy. The following information will be on your Notice of Action:

- The amount of money that you owe,
- How much your family fee costs,
- How late you are on your payment and
- The fact that you may lose your child care if you don't pay your family fee.²⁴

When you first start getting child care, you should be given written policies about late payment of family fees.²⁵ If you owe family fees, but you cannot afford to pay the entire amount, you can work out a repayment plan.²⁶ If you enter into a repayment plan, you must pay your current fees and follow the instructions listed in the repayment plan.

17. What is a Notice of Action?

A Notice of Action is a piece of paper that tells you about a decision that the county welfare department or Alternative Payment Program has made.²⁷ You have a right to get a Notice of Action after you apply for CalWORKs cash aid or CalWORKs child care. You also have a right to get a Notice of Action if your benefits are changed, including if your family fee changes.

18. Do I have a Right to Get a Notice of Action from my Child Care Provider if I Do Not Pay My Family Fee?

Generally, no; only child care payment agencies must give you a Notice of Action.²⁸ The exception is a subsidized child care center that has a contract with the California Department of Education. Most child care providers do not have to send you a Notice of Action since most are not contracted with the California Department of Education.

Tip: If you are not sure what kind of center you are using, check your parent handbook.

19. What Happens if I have a Problem Getting or Keeping My CalWORKs Child Care?

Look at the back of your Notice of Action to find out how to appeal the decision. You may ask for a hearing by telephone, but it is better to ask in writing and keep a copy. Even if you do not get a Notice of Action, you can still appeal.²⁹ You will get a hearing at which you can explain why you think the decision was wrong.³⁰ If you are getting CalWORKs cash aid or child care, and you meet the deadline, your benefits will not change until you get a decision after the hearing.³¹

Example: You get a Notice of Action that says you have to pay more than the amount of family fees that you think you really owe. You should appeal.

Note: If you want a hearing, and you want your benefits to continue while you wait for a hearing decision, make sure you meet the deadline. The deadline, and the type of hearing that you will have, depend on which Stage of CalWORKs child care you are in.³² In Stage 1, you must appeal within 90 days to get a hearing, and you must appeal before the change takes place in order to have your benefits continue until you get a hearing decision.³³ In Stages 2 and 3, you must appeal within 14 days.³⁴

Note: Child care *providers* do *not* have a right to a hearing if they have trouble getting paid by a county welfare department or an APP. However, they *do* have a right to a hearing if the licensing department makes a negative decision.

20. What Can I Do To Help Make Sure that Family Fees Stay Affordable?

You can get more information on how to make a difference by calling Parent Voices, a parent-run,

parent-led grassroots organization fighting to make quality child care accessible and affordable to all families. You can help make sure that parents who need help paying for child care get help and that family fees stay affordable.

Note: You can visit Parent Voices on the web at <http://www.parentvoices.org>³⁵ to find your local chapter.

This document is intended to provide general information about the topic covered and is made available with the understanding that it does not render legal or other professional advice. We believe it is accurate as of June 2002, but the law changes often. If you need legal advice, seek help from a competent attorney.

Useful Resources

- Call **Legal Aid** if you are a low-income CalWORKs participant who needs free help with a problem. Look in the telephone book or call the Coalition of California Welfare Rights Organizations at (916) 736-0616 to find out about the Legal Aid office near you.
- Call your **County Bar Association Referral** service to find a private attorney or legal aid office. Look in the telephone book or visit the California Bar Association website at www.calbar.org to find the telephone number.
- Call a **Resource and Referral** agency if you are a CalWORKs participant who wants help finding child care, if you are a child care provider who wants CalWORKs participants with child care subsidies to be referred to you, or if you want to find out where to apply for CalWORKs child care. Call the California Resource and Referral Network at (415) 882-0234 or visit their website at www.rnetwork.org to get information about your local Resource and Referral agency. If you are a parent looking for child care, you can call 1-800-543-7793.
- Call the **Child Care Law Center at (415) 394-7144** for information about child care issues. We are a national and California child care support center for legal services programs, and we:
 - Provide information and referral over the telephone on Mondays, Tuesdays, and Thursdays from 12 to 3.
 - Write useful publications, including the following *Questions and Answers on CalWORKs Child Care: Introduction, Appeals and Hearings, and Diversion* (Visit our website at www.childcarelaw.org).
 - Conduct trainings for CalWORKs recipient groups, community agencies, and others.
 - Provide legal representation only in cases that have an impact on many people.
- Visit the website of the Legal Services of Northern California, www.lsn.net for information about California laws.
- Visit the website of the Western Center on Law and Poverty, www.wclp.org, to read their superb CalWORKs manual.

Endnotes Explanation

The endnotes below are legal citations for the information above. To look up the laws that apply to you, visit your local law library. Don't be scared to look up the law to understand your rights.

Health & Safety Code applies to licensed child care providers and to some license exempt providers.

Educ. Code is the California Education Code. It provides information about child care subsidies, including CalWORKs child care.

Welf & Inst. Code is the California Welfare & Institutions Code. It covers CalWORKs cash grant and work requirements.

MPP is the California Department of Social Services (DSS) Manual of Policies and Procedures, the regulations issued by DSS.

An ACL is a DSS All County Letter. It gives more detailed information than the MPP; a Management Bulletin is a similar document from the California Department of Education.

CA Code of Regs. is the California Code of Regulations. Title 22 applies to licensed child care and Title 5 applies to subsidized child care.

¹ Welf. & Inst. Code §§ 11200 *et seq.*; MPP § 42.701.1.

² MPP § 42-701.1.

³ MPP § 42-701.1(b).

⁴ Welf. & Inst. Code § 11266.5(i); Educ. Code § 8350.5; DSS All County Letter 97-68, *Implementation of the Diversion Program-California Welfare Opportunity and Responsibility to Kids (CalWORKs) Program*, Att. 1, October 29, 1997.

⁵ Educ. Code §§ 8263(a)(2), 8202(a), and 8263.1; MPP § 47-101.2; Welf. & Inst. Code § 11320.1, 11322.9.

⁶ Educ. Code § 8263, MPP § 47-101.2; 5 CA Code of Regs. § 18414, 18429; CDE Management Bulletin 00-14, September 2000.

⁷ MPP § 47-110(f)(1); Calculation of family fee for Stage 1 clients: MPP § 47-240.1.

⁸ Educ. Code § 8220; 5 CCR § 18013(e).

⁹ Educ. Code § 8263.1.

¹⁰ California Department of Education Management Bulletin 00-14, Sept. 1, 2000.

¹¹ Educ. Code §§ 8350(b); 8351, 8353; 8354; MPP §§ 47-101.3; 47-101.4; 5 CCR § 18400(n), (o), (p).

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- ¹² 42 U.S.C. § 602(b)(2); Educ. Code §§ 8208.1; 8216; 8225; 8357(a); MPP § 47-260.2; 5 CCR § 18426(a).
- ¹³ 40 DSS ACL 01-22, March 14, 2001; California Department of Education Management Bulletin 00-26 July 2001.
- ¹⁴ MPP § 47-260.3.
- ¹⁵ Educ. Code § 8266; MPP § 47-401.1; 5 CCR §§ 18414(a); 18428(a).
- ¹⁶ California Department of Education letter, *Alternative Payment Reimbursement*, June 2001.
- ¹⁷ Health & Safety Code § 1596.7925; 22 CCR §§ 101158; 102358.
- ¹⁸ Educ. Code § 8357(d).
- ¹⁹ Health & Safety Code §§ 1596.66(a); 1596.67(a). For Stage 1: MPP § 47-601; for Stages 2 and 3, 5 CCR § 18426(b)(2).
- ²⁰ See Footnote 10.
- ²¹ California DSS Manual of Policies & Procedures § 47-110(c)(2)(Stage 1); 5 CCR 18414(b); 18429(b)(CalWORKs child care Stages 2 and 3);
- ²² DSS All County Letter 01-39. See Question 10.
- ²³ 5 CCR § 18116.
- ²⁴ 5 CCR § 18114(d); 5 CCR 18400 (c).
- ²⁵ 5 CCR § 18114(a).
- ²⁶ 5 CCR § 18115
- ²⁷ MPP § 47-420.3; 5 CCR §§ 18118, 18119(a); 18419; 18434.
- ²⁸ 5 CCR § 18419(a); 5 CCR § 18434.
- ²⁹ MPP § 22-003; 5 CCR § 18120(a).
- ³⁰ MPP § 22-049.7; 5 CCR § 18120(i).
- ³¹ MPP § 47-420.32; 5 CCR § 18120(b).
- ³² Educ. Code §§ 8353(b); 8351(a); MPP § 22-009; 5 CCR §§ 18121, 18120(a).
- ³³ Welf. & Inst. Code § 10951; MPP §§ 22-009.1.
- ³⁴ 5 CCR § 18121(a); 18418; 18433.
- ³⁵ This is their website as of: July 16, 2002.