

Proposed/Temporary Administrative Rules Form

Agency Name: Department of Health and Welfare	STARS Agency Code: 270	Phone Number: 334-5815	
Contact Person: Genie Sue Weppner, Division of Welfare		FAX Number: 334-6558	
Statutory Authority for the rule making (Idaho Code, Federal Statute or Regulation): Section 56-202, Idaho Code			
Title, Chapter, and Possible Docket (IDAPA) Number: IDAPA 16.06.12, "Rules Governing the Idaho Child Care Program (ICCP)"			
This Rule is: <input checked="" type="checkbox"/> Proposed <input type="checkbox"/> Temporary		Effective Date: Sine Die 2008	
If Temporary Rule: <input type="checkbox"/> Necessary to protect the public health, safety, or welfare; or <input type="checkbox"/> Compliance with deadlines in amendments to governing law or federal programs; or <input type="checkbox"/> Conferring a benefit.			
If this is a temporary rule which imposes a fee or charge, provide justification as described in Idaho Code 67-5226(2): N/A			
Provide a fiscal impact statement, both positive and negative, by fund source for all programs affected: This rulemaking will make necessary changes to the Idaho Child Care Program and will balance the additional expenditures with planned savings. The following chart shows the cost and savings related to the rule and operational changes.			
Rule Cost:	Update eligibility limits and co-payment rates 135% of 2007	\$ 4,706,000	One year
Rule Savings:	4 years post-secondary education as an eligible activity (40 months)	\$ (454,000)	One year
Rule Savings:	Work search eligible for a month following job loss	\$ (1,375,000)	One year
Operation Savings:	Caseload decline 2006 through 2007	\$ (3,300,000)	One year
Operation Cost:	Adjust local market rate (included in FY 08 request)	\$ 423,000	One year
	Total savings	\$ 0 -	One year
	Total savings	\$ 0 -	Five Year
Need for Proposed Rule Change: Based on recommendations from the Office of Performance Evaluation (OPE), the Idaho Child Care Advisory Panel, stakeholder input, and recent legislative audits, the Department of Health and Welfare is proposing rules changes in order to: (1) update eligibility limits, (2) update the co-payment rates, and (3) add cost saving measures that will allow the ICCP to continue to serve those citizens with the greatest need of subsidized child care. No current participant will experience an increase co-pay due to updating the co-pay rates. The current ICCP income limits have not been updated since 1998. Consequently, many low-income working families are unable to receive assistance for child care costs. They may be forced to make difficult decisions regarding remaining in the work force or having to leave their children home alone. Raising the eligibility limit will allow more low-income working families to receive child care assistance, reducing the need to rely on other forms of public assistance. Working families whose children are in safe and stable child care are more productive employees. Employers across Idaho benefit when employees have reliable child care arrangements that reduce the need to be absent from work. The child care subsidy program is closely aligned with the purposes of welfare reform and is seen as a critical benefit to assist low-income working families find and maintain work. At the same time, child care support while earning a four-year college degree is also an effective strategy to avoid poverty. In order to support this strategy, ICCP will provide 40 months (equivalent to the minimum number of months necessary to earn a four-year degree) of education as an eligible activity. Allowing secondary education as an eligible activity provides support while emphasizing the urgency for low-income families to become employed and gain independence from government programs. Allow work search for four weeks for individuals who experience an involuntary job loss. This rule			

change gives the Department the ability to limit the amount of time parents can receive child care assistance while looking for work. This will encourage people to take jobs, conserve ICCP funds by reducing the opportunities for fraudulent use of child care assistance, better assure accurate payments for child care, limit the need for monthly tracking, and still make it possible for parents to receive child care assistance while they search for work for a reasonable length of time.

Revising this chapter will increase the accountability, consistency, and efficiency of these administrative rules. The reorganization of these rules will make it easier for the public to locate information within the rules and will add required rule sections and minimize the need for future rule changes.

Proposed Rule Changes (Summary Only):

This rule change will incorporate recommendations obtained from the Office of Performance Evaluation (OPE), Legislative Auditors, higher education stakeholders, advocacy group stakeholders, Health and Welfare Committees of the House and the Senate, and the Idaho Childcare Advisory Panel to:

1. Increase the current income limits to 135% of the 2007 Federal Poverty Guidelines.
2. Update the co-payment rates to more accurately reflect the smaller income increases typical of families receiving ICCP
3. Allow post-secondary education as an eligible activity for four years (40 months).
4. Allow four weeks of additional child care assistance for individuals who have experienced an involuntary job loss and intend to seek alternative employment.

The current chapter of ICCP rules will be revised in order to add or update required sections; eliminate redundant sections of rules; update, revise, clarify and reorganize chapter content. Idaho's citizens will be able to locate and understand sections of the rule that they are most interested in.

Interest Group(s) or Citizens Affected:

Child Care providers, parents, institutions of higher education, financial aid, vocational technical institutions, low-income advocacy groups, women's advocacy groups, and early learning professionals

(DFM's Use Only)

DFM Analyst Comments:

Received Date:		Internal Admin. Rule No.	
DFM Analyst Signature:		Approved: <input type="checkbox"/> Yes <input type="checkbox"/> No	Reviewed Date:
Policy Advisor Signature:		Approved: <input type="checkbox"/> Yes <input type="checkbox"/> No	Reviewed Date:

Please return to: **Division of Financial Management, Statehouse Room 122**
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Department of Health and Welfare Signatures of Approval of the Proposed Administrative Rules

David Butler, Deputy Director _____ **Date:** _____

Heather Wheeler, Division Admin. _____ **Date:** _____

Richard M. Armstrong, Director _____ **Date:** _____

