

NOTICES OF EXEMPT RULEMAKING

The Administrative Procedure Act requires the *Register* publication of the rules adopted by the state's agencies under an exemption from all or part of the Administrative Procedure Act. Some of these rules are exempted by A.R.S. §§ 41-1005 or 41-1057; other rules are exempted by other statutes; rules of the Corporation Commission are exempt from Attorney General review pursuant to a court decision as determined by the Corporation Commission.

NOTICE OF EXEMPT RULEMAKING

TITLE 6. ECONOMIC SECURITY

CHAPTER 5. DEPARTMENT OF ECONOMIC SECURITY

SOCIAL SERVICES

PREAMBLE

1. **Sections Affected**

R6-5-4923	<u>Rulemaking Action</u>
Appendix A	New Section
Appendix A	Repeal
Appendix B	New Section
Appendix B	New Section
2. **The specific authority for the rulemaking, including both the authorizing statute (general) and the statutes the rules are implementing (specific):**

Authorizing statute: A.R.S. §§ 41-1005(A)(27), 41-1954(A)(3), 46-134(A)(12), and 46-805

Implementing statute: A.R.S. §§ 46-801 through 46-810

Statute authorizing the exemption: A.R.S. § 41-1005(A)(27)
3. **The effective date of the rules:**

July 1, 1998. This date is consistent with statutory requirements regarding eligibility levels and reimbursement rates.
4. **A list of all previous notices appearing in the Register addressing the exempt rule:**

None.
5. **The name and address of agency personnel with whom persons may communicate regarding the rulemaking:**

Name:	Vista Thompson Brown
Address:	Department of Economic Security 1798 West Jefferson, Site Code 837A (or P.O. Box 6123, Site Code 837A; Phoenix, Arizona 85005) Phoenix, Arizona 85007
Telephone:	(602) 542-6555
Fax:	(602) 542-6000
E-mail:	vovb5015@de.state.az.us
6. **An explanation of the rule, including the agency's reasons for initiating the rule, including the statutory citation to the exemption from the regular rulemaking procedures:**

A.R.S. § 41-1005(A)(27) gives the Department an exemption from the Administrative Procedure Act to develop rules under A.R.S. § 46-805; this statute gives the Department the authority to establish payment rates for child care assistance and a sliding fee scale and formula for determining child care assistance. The Department is adopting a new Child Care Assistance Gross Monthly Income Eligibility Chart and Fee Schedule to increase the eligibility limits for child care assistance and new Maximum Reimbursement Rates For Child Care to establish maximum provider reimbursement rates the Department will pay for child care subsidies.
7. **A showing of good cause why the rule is necessary to promote a statewide interest if the rule will diminish a previous grant of authority of a political subdivision of this state:**

Not applicable.
8. **The summary of the economic, small business, and consumer impact:**

Because these rules are exempt from the Administrative Procedure Act under A.R.S. § 41-1005(A)(27), the Department did not prepare an economic impact statement.
9. **A description of the changes between the proposed rules, including supplemental notices, and final rules (if applicable):**

Not applicable.

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10. A summary of the principal comments and the agency response to them:
Not applicable.
11. Any other matters prescribed by statute that are applicable to the specific agency or to any specific rule or class of rules:
Not applicable.
12. Incorporations by reference and their location in the rules:
Not applicable.
13. Was this rule previously adopted as an emergency rule?
No.
14. The full text of the rules follows:

TITLE 6. ECONOMIC SECURITY

CHAPTER 5. DEPARTMENT OF ECONOMIC SECURITY
SOCIAL SERVICES

ARTICLE 49. CHILD CARE ASSISTANCE

Appendix B. Maximum Reimbursement Rates For Child Care

Section

ARTICLE 49. CHILD CARE ASSISTANCE

R6-5-4923. Maximum Reimbursement Rates For Child Care
Appendix A. Child Care Assistance Income Eligibility Chart & Fee Schedule Repealed

R6-5-4923. Maximum Reimbursement Rates For Child Care

Appendix A. Child Care Assistance Gross Monthly Income Eligibility Chart and Fee Schedule

The Department shall pay the maximum reimbursement rates for child care as set forth in Appendix B.

~~Appendix A. Child Care Assistance Income Eligibility Chart and Fee Schedule~~

ARIZONA DEPARTMENT OF ECONOMIC SECURITY
DIVISION OF EMPLOYMENT AND REHABILITATION SERVICES
CHILD CARE ADMINISTRATION

CHILD CARE ASSISTANCE
INCOME ELIGIBILITY CHART & FEE SCHEDULE

Family Size ↓	FEE LEVEL 1 (L1)	FEE LEVEL 2 (L2)	FEE LEVEL 3 (L3)
	INCOME MAXIMUM EQUAL TO OR LESS THAN 85% FPL*	INCOME MAXIMUM EQUAL TO OR LESS THAN 100% FPL*	INCOME MAXIMUM EQUAL TO OR LESS THAN 135% FPL*
1	0-560	561-658	659-889
2	0-753	754-885	886-1,195
3	0-945	946-1,111	1,112-1,500
4	0-1,138	1,139-1,338	1,339-1,807
5	0-1,331	1,332-1,565	1,566-2,113
6	0-1,523	1,524-1,791	1,792-2,418
7	0-1,716	1,717-2,018	2,019-2,725
8	0-1,909	1,910-2,245	2,246-3,031
9	0-2,102	2,103-2,472	2,473-3,338
10	0-2,295	2,296-2,699	2,700-3,644
11	0-2,488	2,489-2,926	2,927-3,951
12	0-2,680	2,681-3,153	3,154-4,257
for ↓	Minimum Required Co-Payments**		
1st child in-care	full day = \$1.00 part day = \$.50	full day = \$2.00 part day = \$1.00	full day = \$3.00 part day = \$1.50
2nd child in-care	full day = \$.50 part day = \$.25	full day = \$1.00 part day = \$.50	full day = \$1.50 part day = \$.75
3rd child in-care	full day = \$.50 part day = \$.25	full day = \$1.00 part day = \$.50	full day = \$1.50 part day = \$.75

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Full day— six or more hours; part day— less than six hours.

* FPL = US DHHS 1997 poverty guidelines.

** Families receiving child care assistance based upon involvement with Child Protective Services/Foster Care, the JOBS Program or those who are receiving cash assistance (formerly AFDC) and who are employed, will not have an assigned fee level and will not have a minimum required co-payment. However, all families may be responsible for charges above the Minimum Required Co-Payments if a provider's rates exceed allowable state reimbursement maximums and/or the provider has other additional charges.

Appendix A. Child Care Assistance Gross Monthly Income Eligibility Chart and Fee Schedule

ARIZONA DEPARTMENT OF ECONOMIC SECURITY

DIVISION OF EMPLOYMENT AND REHABILITATION SERVICES - CHILD CARE ADMINISTRATION

CHILD CARE ASSISTANCE GROSS MONTHLY INCOME ELIGIBILITY CHART AND FEE SCHEDULE

EFFECTIVE JULY 1, 1998

Family Size ↓	FEE LEVEL 1	FEE LEVEL 2	FEE LEVEL 3	FEE LEVEL 4	FEE LEVEL 5	FEE LEVEL 6
	(L1)	(L2)	(L3)	(L4)	(L5)	(L6)
	INCOME MAXIMUM EQUAL TO OR LESS THAN 85% FPL*	INCOME MAXIMUM EQUAL TO OR LESS THAN 100% FPL*	INCOME MAXIMUM EQUAL TO OR LESS THAN 135% FPL*	INCOME MAXIMUM EQUAL TO OR LESS THAN 145% FPL*	INCOME MAXIMUM EQUAL TO OR LESS THAN 155% FPL*	INCOME MAXIMUM EQUAL TO OR LESS THAN 165% FPL*
1	0 - 571	572 - 671	672 - 906	907 - 973	974 - 1040	1041 - 1108
2	0 - 770	771 - 905	906 - 1,222	1,223 - 1,313	1,314 - 1,403	1,404 - 1,494
3	0 - 968	969 - 1,138	1,139 - 1,537	1,538 - 1,651	1,652 - 1,764	1,765 - 1,878
4	0 - 1,166	1,167 - 1,371	1,372 - 1,851	1,852 - 1,988	1,989 - 2,125	2,126 - 2,263
5	0 - 1,365	1,366 - 1,605	1,606 - 2,167	2,168 - 2,328	2,329 - 2,488	2,489 - 2,649
6	0 - 1,563	1,564 - 1,838	1,839 - 2,482	2,483 - 2,666	2,667 - 2,849	2,850 - 3,033
7	0 - 1,761	1,762 - 2,071	2,072 - 2,796	2,797 - 3,003	3,004 - 3,210	3,211 - 3,418
8	0 - 1,960	1,961 - 2,305	2,306 - 3,112	3,113 - 3,343	3,344 - 3,573	3,574 - 3,804
9	0 - 2,158	2,159 - 2,538	2,539 - 3,427	3,428 - 3,681	3,682 - 3,934	3,935 - 4,188
10	0 - 2,356	2,357 - 2,771	2,772 - 3,741	3,742 - 4,018	4,019 - 4,295	4,296 - 4,573
11	0 - 2,555	2,556 - 3,005	3,006 - 4,057	4,058 - 4,358	4,359 - 4,658	4,659 - 4,959
12	0 - 2,753	2,754 - 3,238	3,239 - 4,372	4,373 - 4,696	4,697 - 5,019	5,020 - 5,343

MINIMUM REQUIRED CO-PAYMENTS**

	full day = \$1.00 part day = \$.50	full day = \$2.00 part day = \$1.00	full day = \$3.00 part day = \$1.50	full day = \$5.00 part day = \$2.50	full day = \$7.00 part day = \$3.50	full day = \$10.00 part day = \$5.00
1st child in care	full day = \$1.00 part day = \$.50	full day = \$2.00 part day = \$1.00	full day = \$3.00 part day = \$1.50	full day = \$5.00 part day = \$2.50	full day = \$7.00 part day = \$3.50	full day = \$10.00 part day = \$5.00
2nd child in care	full day = \$.50 part day = \$.25	full day = \$1.00 part day = \$.50	full day = \$1.50 part day = \$.75	full day = \$2.50 part day = \$1.25	full day = \$3.50 part day = \$1.75	full day = \$5.00 part day = \$2.50
3rd child in care	full day = \$.50 part day = \$.25	full day = \$1.00 part day = \$.50	full day = \$1.50 part day = \$.75	full day = \$2.50 part day = \$1.25	full day = \$3.50 part day = \$1.75	full day = \$5.00 part day = \$2.50

No minimum required co-pay for 4th (or more) child in care. Full day = six or more hours; part day = less than six hours.

*Federal Poverty Level (FPL) = US DHHS 1998 poverty guidelines.

**Families receiving child care assistance based upon involvement with Child Protective Services/Foster Care, the JOBS Program or those who are receiving cash assistance (formerly AFDC) and who are employed, will not have an assigned fee level and will not have a minimum required co-payment. However, all families may be responsible for charges above the Minimum Required Co-Payments if a provider's rates exceed allowable state reimbursement maximums and/or the provider has other additional charges.

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Appendix B. Maximum Reimbursement Rates for Child Care

ARIZONA DEPARTMENT OF ECONOMIC SECURITY
DIVISION OF EMPLOYMENT AND REHABILITATION SERVICES
CHILD CARE ADMINISTRATION

MAXIMUM REIMBURSEMENT RATES FOR CHILD CARE

(effective for services provided on or after 7/1/98)

CENTERS

Age Group	District I	District II	District III	District IV	District V	District VI
Birth < 1 yr:	21.20	19.91	16.00	15.00	14.00	16.47
Full day	16.00	14.00	10.00	10.00	10.00	10.60
Part day						
1 yr < 3 yrs:	19.00	17.60	15.00	15.00	16.00	16.47
Full day	13.60	12.40	12.00	10.00	10.00	10.60
Part day						
3 yrs < 6 yrs:	18.00	16.00	14.00	15.00	14.00	15.81
Full day	11.60	11.09	10.00	10.00	10.00	7.44
Part day						
6 yrs < 13 yrs:	17.40	15.60	14.00	14.00	13.75	13.00
Full day	10.00	8.80	8.00	10.00	8.00	9.16
Part day						

GROUP HOMES

Age Group	District I	District II	District III	District IV	District V	District VI
Birth < 1 yr:	16.00	15.00	15.00	14.00	15.00	14.00
Full day	10.00	10.00	7.50	7.00	7.50	12.00
Part day						
1 yr < 3 yrs:	15.00	15.00	15.00	13.95	15.00	13.00
Full day	10.00	10.00	7.50	7.44	7.50	8.00
Part day						
3 yrs < 6 yrs:	15.00	15.00	15.00	13.00	15.00	13.00
Full day	10.00	10.00	7.50	7.00	7.50	8.00
Part day						
6 yrs < 13 yrs:	15.00	14.00	15.00	13.00	15.00	15.00
Full day	10.00	8.00	7.20	7.00	7.50	8.00
Part day						

CERTIFIED FAMILY HOMES & CERTIFIED IN-HOME PROVIDERS

Age Group	District I	District II	District III	District IV	District V	District VI
Birth < 1 yr:	16.00	15.00	15.00	13.00	14.00	14.00
Full day	9.00	8.00	8.00	7.50	7.00	8.00
Part day						
1 yr < 3 yrs:	15.00	14.00	13.00	12.00	12.00	12.00
Full day	8.00	8.00	7.00	7.00	7.00	7.50
Part day						
3 yrs < 6 yrs:	15.00	14.00	12.00	12.00	12.00	12.00
Full day	8.00	8.00	6.50	6.50	6.20	6.50
Part day						
6 yrs < 13 yrs:	14.00	14.00	12.00	12.00	12.00	12.00
Full day	8.00	8.00	6.00	6.00	6.00	6.00
Part day						

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Appendix B. Maximum Reimbursement Rates for Child Care (continued)

NON-CERTIFIED RELATIVE PROVIDERS*

Age Group	District I	District II	District III	District IV	District V	District VI
Birth < 1 yr: Full day Part day	<u>12.60</u> 7.20	<u>10.80</u> 7.20	<u>10.80</u> 5.40	<u>10.80</u> 5.40	<u>10.80</u> 5.40	<u>10.80</u> 5.40
1 yr < 3 yrs: Full day Part day	<u>12.60</u> 7.20	<u>10.80</u> 7.20	<u>10.80</u> 5.40	<u>9.25</u> 5.40	<u>10.80</u> 5.40	<u>10.80</u> 5.40
3 yrs < 6 yrs: Full day Part day	<u>11.70</u> 7.20	<u>10.80</u> 7.20	<u>9.90</u> 4.50	<u>10.80</u> 5.40	<u>10.80</u> 5.40	<u>9.00</u> 5.40
6 yrs < 13 yrs: Full day Part day	<u>11.70</u> 7.20	<u>10.80</u> 6.30	<u>9.00</u> 4.50	<u>10.80</u> 5.40	<u>10.80</u> 5.40	<u>9.90</u> 5.40

Full day = six or more hours per day; Part day = less than six hours per day.

Actual reimbursement will be provider's actual charges (minus any client designated co-pay), not to exceed maximum reimbursement rates.

*Reimbursement rates for Non-Certified Relative Providers in Pilot sites will be fixed at \$7.00 for Full day and \$4.00 for Part day.