

**STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
DEPARTMENT OF HUMAN SERVICES  
APPEALS OFFICE  
600 New London Avenue  
Cranston, Rhode Island 02920  
(401) 462-2132/Fax# (401) 462-0458  
TDD# (401) 462-3363**

Docket # 14-1057

Hearing Date: September 8, 2014

Date: October 29, 2014



**ADMINISTRATIVE DECISION**

The Administrative Hearing that you requested has been decided against you. During the course of the proceeding, the following issue(s) and agency policy reference(s) were the matters before the hearing:

**THE DHS POLICY MANUAL: CHILD CARE ASSISTANCE PROGRAM  
SECTION:0850.02.04 CRITERIA FOR INCOME, ADDENDUM 2: FAMILY SHARE/  
INCOME**

The facts of your case, the agency policy, and the complete administrative decision made in this matter follow. Your rights to judicial review of this decision are found on the last page of this decision.

Present at the hearing were you (the appellant), and David Nielson (agency representative).

Copies of this decision have been sent to the following: you, Judy Morales, David Nielson, and the policy unit.

**ISSUE: Does the appellant's countable income exceed the agency standard for the Child Care Assistance Program (CCAP)?**

DHS POLICIES: Please see the attached APPENDIX for pertinent excerpts from the Rhode Island Department of Human Services Policy Manual.

DISCUSSION OF THE EVIDENCE:

**The agency representative testified:**

- The appellant was notified by notice dated June 12, 2014 that her application for the CCAP dated May 22, 2014 was denied because her family's countable gross yearly income of \$60,165.84 is more than \$57,546.00, which is the highest amount allowed under the CCAP rules for a family of 6.
- The agency representative testified that the agency determines income by counting a family's gross income. No consideration is given for taxes, rent, shelter costs, or other expenses. The agency bases the family's CCAP eligibility solely upon a percentage of the family's gross income.
- The appellant is employed and earned an average of \$2571.57 per month during the weeks reviewed by the agency at the time of her application. The agency used the appellant's gross income of \$1166.67 not her taxable gross of \$1312.96. The agency determined the appellant's income as semi-monthly and used the lesser of the incomes submitted at the time of her application.
- The appellant's spouse is employed and he earns an average of \$2442.25 per month. This income determination was based upon wage information provided by the appellant and submitted by the agency at hearing.
- The agency representative testified that the agency used pay stubs from April and May 2014 from the appellant and from June and July 2013 from the appellant's spouse to determine the average monthly income. The agency did receive a letter from the appellant's spouse employer dated May 20, 2014, but the letter does not indicate wages.
- The agency representative submitted copies of the appellant's pay stubs for the above-cited months. The agency representative stated that he is willing to review subsequent pay stubs to determine if the household income qualifies.
- The established agency procedure is to determine monthly employment income by multiplying the applicant's weekly gross by 4.333. The agency uses the most recent pay stubs as of the application date in calculating annual income.
- The agency representative testified that the applicant's gross countable income exceeds 180% of the FPL, which is \$57,546.00, the standard the agency uses when determining CCAP income eligibility.

**The appellant testified:**

- She stated that her employer deducts her step-children's health insurance post-taxes but they deduct her own children's insurance pre-taxes.
- She stated that her husband's wages have changed since the last pay stubs that were submitted.
- She agreed to submit the most recent pay stubs to the agency to determine if her household qualifies subsequent to the June 12, 2014 application denial.

**FINDINGS OF FACT:**

1. The agency notified the appellant by notice dated June 12, 2014 that her application from May 22, 2014 for the CCAP was denied due to excess countable income.
2. There are six members in the appellant's family.
3. The agency determined the appellant's gross family income, on an annual basis, to be \$60,165.84 which exceeds the agency standard of \$57546.00 for a household of six. (180% of the FPL).
4. This record of hearing was held open through October 9, 2014 at the appellant's request to allow her to submit additional household income information.

**CONCLUSION:**

The issue to be decided is whether the agency, in its calculation of the appellant's annual income, correctly applied agency standards of income for CCAP eligibility. A review of the agency's calculation of the family income determines that the agency used pay stubs provided by the appellant at the time of her CCAP application during May and June 2014.

A review by this hearing officer, using the agency-established standard for income calculation, yields annual family income of \$60,165.84. The agency multiplied the appellant's gross average weekly income of \$593.48 x 4.333=\$2571.57. The agency calculated the income of the appellant's spouse using average weekly income of \$563.63x4.333=\$2442.25. The monthly countable income of \$5013.82 is multiplied by 12 months for countable annual income of \$60,165.84 (\$5013.82 x12=\$60165.84)

As this income amount exceeds 180% of the Federal Poverty Level the agency denied eligibility based on excess income.

This record of hearing was held open through October 9, 2014 at the appellant's request, to allow time for her to submit additional income information. As of the close of business October 9, 2014 no further information was submitted by the appellant.

Based on the factual evidence presented and submitted in this case , I find the appellant's income exceeded the maximum eligibility standard for a childcare subsidy at the time of the agency June 2014 CCAP denial notice. The result of the review is that eligibility for the CCAP did not exist due to excess income.

After a careful review of the agency's policies, as well as, the evidence and testimony given, the Hearing Officer finds that the appellant's income was calculated correctly. The appellant's request for relief is denied.

APPEAL RIGHTS (SEE LAST PAGE)



**Michael Gorman**  
**Appeals Officer**

APPENDIX

CRITERIA FOR INCOME ELIGIBILITY

0850.02.04

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REV: 07/2012

Working families and YS participants not receiving RIW cash assistance who meet the general requirements in Section 0850.02.01 and the following criteria may be CCAP income eligible:

A. Financial Determination.

1. The countable income of the financial unit shall be at or below

180 percent of the Federal Poverty Level (FPL), based on family

size. In the process of determining eligibility for CCAP, prospective

budgeting is used. Eligibility is established based on the knowledge and reasonable expectation of what income and circumstances will exist in the month for which a payment is authorized. The agency representative must determine all factors of eligibility prospectively for all payment months.

a. The prospective budgeting method is used to determine the income which will exist during the period of eligibility for cash assistance under the RI Works Program. This means that weekly income for these cases is converted to a monthly amount using the 4.3333 weeks per month conversion method.

b. The projected estimate of income is valid for the following periods:

i. between the initial determination of eligibility and redetermination;

ii. between redeterminations;

iii. following a change in income or circumstances which is reported by the recipient or discovered by the Department.

**ADDENDUM 2**

**FAMILY SHARE/ CO-PAYMENT**  
**FAMILY SHARE INCOME RELATIVE TO THE FAMILY SHARE**

The income levels and percentage range of family shares are as follows:

LEVEL	FEDERAL POVERTY LEVEL	AMOUNT
Level 0	Less than or equal to 100%	No Family Share
Level 1	Above 100% up to and Including 125%	2% of Countable Gross Income
Level 2	Above 125% up to and Including 150%	5% of Countable Gross Income
Level 3	Above 150% up to and Including 180%	8% of Countable Gross Income
Level 4	Above 180% up to and Including 200%	10% of Countable Gross Income
Level 5	Above 200% up to and Including 225%	14% of Countable Gross Income

CCAP Eligibility and Cost-Sharing levels by Gross Income Adjusted for Family Size

Level	Standard Federal Poverty Level	% Gross Countable Income Applied as Co-payment	FAMILY SIZE						
			2	3	4	5	6	7	8
0	<100%	0	15730	19790	23850	27910	31970	36030	40090
1	>100-125%	2%	19663	24738	29813	34888	39963	45038	50113
2	>125-150%	5%	23595	29685	35775	41865	47955	54045	60135
3	>150-180%	8%	28314	35622	42930	50238	57546	64854	72162
4	>180%-200%	10%	31460	39580	47700	55820	63940	72060	80180
5	>200%-225%	14%	35393	44528	53663	62798	71933	81068	90203

Level	Standard	% Gross	FAMILY SIZE						
			9	10	11	12	13	14	15

### APPELLATE RIGHTS

This Final Order constitutes a final order of the Department of Human Services pursuant to RI General Laws §42-35-12. Pursuant to RI General Laws §42-35-15, a final order may be appealed to the Superior Court sitting in and for the County of Providence within thirty (30) days of the mailing date of this decision. Such appeal, if taken, must be completed by filing a petition for review in Superior Court. The filing of the complaint does not itself stay enforcement of this order. The agency may grant, or the reviewing court may order, a stay upon the appropriate terms.