Child Care Stabilization Grant: Impact to Benefits

November 17, 2021
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Overview of Child Care Stabilization Grant
The New York State Office of Children and Family Services (OCFS) is accepting applications through 11/30/21 for the Child Care Stabilization Grant made available through the federal American Rescue Plan Act and the Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act. The Child Care Stabilization Grant represents an unprecedented opportunity and investment to effectively stabilize the child care sector.

The goal of the Child Care Stabilization Grant is to provide financial relief to existing child care providers to help cover unexpected business costs associated with the COVID-19 pandemic, and to help stabilize their operations so they may continue to provide care.
Stabilization Grant Overview

To streamline and simplify the application process, OCFS is offering a single online application.

1. Go to: https://ocfs.ny.gov/childcare-stabilization
2. Click on the Ready to Apply? link.
Options for Use of Funds

There are 8 options for spending grant money. Providers can use it to make a variety of physical and program updates or improvements.

Grant funds must be used for one or more of the options.

Providers have until 9/30/2023 to spend the funds.
Using Funds

"Our programs suffered greatly during the pandemic - in all of my years working here we have never seen this level of help for our staff and programs - we are beyond thankful"

How are providers using their funds?

- Paying rent and bills
- Paying off debts incurred as a result of the pandemic
- Cleaning supplies
- Invested money for retirement
- New toys
- New outdoor playground or updating a playground
- New school furniture
- Food for the children
Provider Concerns

• Should I apply for the grant even if it pushes me into a higher tax bracket?

• Will the grant impact my Medicaid, SNAP, or other public benefits?
Housing
NYS HCR Section 8 Housing Choice Voucher Program

What is HCR?

NYS Homes & Community Renewal (HCR) is New York State’s affordable housing agency. Administered programs include: PHA for the housing choice voucher program, project-based rent administration, project financing & new construction, low-income tax credits, SONYMA mortgage assistance, rent regulation, tenant protection and fair housing.

HCR is one of almost 200 Public Housing Authorities (PHAs) in New York State alone, many of whom also administer housing choice vouchers. HCR currently operates in 51 counties (including New York City) through a network of non-profits, county governments and private contractors known as Local Administrators (or “LAs”).
Housing Choice Vouchers (HCV)

What is the Housing Choice Voucher (HCV) Program?

- The housing choice voucher program was created to assist very low-income families to afford decent, safe, and sanitary housing in the private market.
- The program is a major federal program funded by the U.S. Department of Housing & Urban Development (HUD) and administered locally by public housing agencies (PHAs).
- Program participants may choose any housing that meets the requirements of the HCV program.
- A family that is issued a housing voucher is responsible for finding a suitable housing unit of the family's choice that meets a minimum standard of health and safety, determined by the PHA.
Who is eligible for the HCV Program?

- Voucher eligibility is determined by the PHA determined through federal regulation and PHA policy. In general, household income may not exceed 50% of the median income for the city or county in which the family chooses to live. HUD publishes this income limit data annually (link on Resource page).

- During the application process, a PHA will collect information on family income, assets, and family composition. This information will be verified with local agencies, employers, etc., to determine program eligibility and the amount of the housing assistance payment to be paid on your behalf. This information is re-calculated on at least an annual basis.

- Once an applicant has been determined eligible, is issued a voucher and finds housing, the PHA calculates each portion of housing subsidy paid to the landlord. One portion of the housing is paid on behalf of the participating family to the landlord directly by the PHA and the family then pays the difference. In general, if all program requirements continue to be met, participation continues until 30% of the household’s income exceeds their unit’s gross rent.
How does the Child Care Stabilization Grant affect my HCV eligibility?

If I as a participant receive the Child Care Stabilization grant, will it count against me or my income eligibility for the HCV program? What if I use the grant money toward my business expenses, rent, salary, etc., would that affect my eligibility?

Income Determination Factors

- While there are many elements involved in determining eligibility and income in the HCV program, for monies received to be included as income the source (whether earned or unearned) must generally be considered regular and/or recurring.
- It has been determined that any monies received from the Child Care Stabilization Grant shall be considered temporary and/or sporadic and therefore would be excluded from calculations for purposes of one’s eligibility or rental portion for the voucher program, regardless of its’ usage. Simply stated the money received from this grant will not be counted as income for HCVs.
Additional HCV Resources

Regulations as found at: 24 CFR Part 982

www.hud.gov


HUD Housing Choice Voucher Program Guidebook

https://www.huduser.gov/portal/datasets/il.html HUD Income Limits

https://www.huduser.gov/portal/datasets/fmr.html HUD FMR’s

Medicaid
Impact on Medicaid Eligibility

Childcare Stabilization grants are countable income for MAGI and non-MAGI populations.
Public Health Emergency

- Section 6008 of Families First Coronavirus Response Act requires states to implement, as a condition of enhanced federal funding, continuous enrollment for recipients enrolled on or after March 18, 2020, through the end of the declared public health emergency.
- NY is only disenrolling individuals from Medicaid for client request or if they are no longer a resident of the state.
- Recipients will not lose eligibility due to increased income.
- The Public Health Emergency continues to be extended; the last extension was effective October 18, 2021.
- CMS has indicated that states will have 60 days notice before end of PHE.
Post-PHE Impact

- Self-employment budgeting
  - Earnings and expenses are evaluated
  - If grant is received and funds are used, those expenses (repairs, supplies, advertising, etc..) are deducted from the income
  - If funds are used, minimal impact to net income

- Continuous Coverage
  - MAGI populations (Adults under 65 w/out Medicare, Pregnant Individuals and Families) receive 12 months of eligibility regardless of changes in income
  - If family has already renewed for the year, an increase in income will not result in disenrollment from Medicaid.
  - Maintain eligibility for 12 months
SNAP Benefits
What is SNAP?

• Supplemental Nutrition Assistance Program- formerly known as Food Stamps.
• Federally-funded, locally-administered entitlement program.
• Participants receive monthly benefits electronically, via EBT card, which can be used to purchase food at authorized food retail stores.
What is SNAP?

SNAP helps eligible low-income households:

• increase their food purchasing power and improve their nutrition

• Eat better for less through free nutrition education (Eat Smart New York!)
Who is eligible?

Eligibility for SNAP is based on a variety of factors, such as:

- Household size
- Earned and Unearned Income
- The presence of children, aged, or disabled individuals in the household composition
- Employment status
How much is the benefit?

- Benefit levels are determined by a variety of factors.
- Benefit levels are adjusted annually at the federal level.
- Maximum monthly SNAP benefit amounts (as of 10/1/21)

<table>
<thead>
<tr>
<th>Household Size</th>
<th>Maximum Allotment*</th>
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<tbody>
<tr>
<td>1</td>
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<tr>
<td>2</td>
<td>$459</td>
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<tr>
<td>3</td>
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<tr>
<td>7</td>
<td>$1,316</td>
</tr>
<tr>
<td>8</td>
<td>$1,504</td>
</tr>
<tr>
<td>For each additional member</td>
<td>$188 +</td>
</tr>
</tbody>
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SNAP Benefit Implications

• Generally, if funds are excluded for Temporary Assistance they are also excluded for SNAP.
• OTDA is awaiting guidance from the USDA FNS and will issue a directive describing how Child Care Stabilization Funds affect SNAP eligibility.
• Stabilization grant recipients should save all documentation verifying how funds were spent in case they are required to provide verification for SNAP. Further instructions will be provided in the upcoming guidance.
SNAP Related Questions

- Individuals should direct questions about any impacts on their current benefits to their worker at their local district office. Each case is different and the potential impact on benefits will need to be evaluated on a case-by-case basis.
- To find the phone number of local district offices, visit the OTDA website & go to “Resources for Working Families” at the bottom of the page or visit https://otda.ny.gov/workingfamilies/dss.asp directly.
Temporary Assistance Benefits
What is Temporary Assistance?

• Temporary Assistance is assistance provided to eligible individuals and families who need temporary help meeting their basic needs.

• Temporary Assistance provides cash and non-cash benefits to help with things like housing costs, day-to-day necessities and utility assistance.
Temporary Assistance Benefit Implications

- For individuals/home-based providers receiving Temporary Assistance benefits, there may be an effect on their benefits depending on what the recipient uses the Childcare Stabilization Grant for.
- You must report receipt of this money to your local Department of Social Services District (local district) within 10 days of receiving it.
- The local district will make a determination on how the funds may affect your Temporary Assistance grant, based on how you used the funds.
Temporary Assistance Benefit Implications

• Generally, if funds were used for business-related expenses, they may be exempted as long as the funds don’t exceed actual business expenses.

• If funds were used for rent/mortgage expenses or were paid as a salary/bonus to a Temporary Assistance recipient, these could have an effect on the Temporary Assistance grant.

• The stabilization grant requires you to document how you spent the money. Save this documentation and present it to your local district worker to show how you spent the funds you received.
Temporary Assistance Related Questions

• Individuals should direct questions about any impacts on their current benefits to their worker at their local district office. Each case is different and the potential impact on your benefits will need to be evaluated in conjunction with any documentation you have available.

• To find the phone number of your local district office, you may visit the OTDA website & go to “Resources for Working Families” at the bottom of the page or visit https://otda.ny.gov/workingfamilies/dss.asp directly. This phone number should also be on any notices you’ve received from the local district.
Questions?
Reminder:

Please note that all attendees are muted. We encourage you to ask questions by typing them into the Q&A box. Any questions not answered during this webinar will be added to a Q&A document.

This slide deck and Q&A document will be available in English & Spanish.