



North Carolina Department of Health and Human Services

DIVISION OF CHILD DEVELOPMENT

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Beverly Eaves Perdue, Governor

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Deborah J. Cassidy, Director

MEMORANDUM

TO: Directors of County Departments of Social Services and
Directors of Local Purchasing Agencies

FROM: Ron Byrd, Section Chief *RB*

ISSUED: September 15, 2010

RE: Clarification of Deeming Income through the Food Stamp Information System (FSIS)

In a recent meeting with the Department of Health and Human Services, the state Division of Social Services and representation from local departments of social services, it was reported that most child care workers continue to verify income and require check stubs from families that have been deemed income eligible through the Food and Nutrition Services Program (FNS) for child care services. On August 1, 2010, subsidy policy was implemented that requires child care workers to use the income information from the Food Stamp Information System to deem FNS recipients income eligible for child care services. In addition, training was provided to directors and child care staff of local purchasing agencies on several occasions to expedite this change. Because of the discussion, we are providing clarity to the deeming income policy.

The Food Stamp Information System (FSIS) screen is **always** the first step when verifying income. With deeming income eligibility, child care staff must use the information in FSIS to determine the amount of gross income available and to obtain information about the child care income unit. Families receiving benefits through the Food and Nutrition Services Program have already been deemed income eligible for subsidized child care; child care staff must view the information available on the FSIS screens and continue to follow subsidy policy to determine whether a source of income is countable.

Through deeming income eligibility, child care staff are no longer required to ask questions or verify information that is provided in FSIS unless child care staff need to clarify information. It is **only** when an applicant **voluntarily** provides more recent income information, that the child care worker verifies the information to determine eligibility for child care services. When deeming income eligibility, a child care worker cannot require an applicant to provide additional information.

Deeming income eligibility is an effort that will reduce the amount of time spent by child care staff when families are found eligible through the Food and Nutrition Services Program. FSIS must be used to eliminate duplicative efforts and reduce the time that is spent at the time of initial application, redetermination and for periodic reviews.

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For further clarification on deeming income eligibility, resources have been posted on the Division's web site. These resources include a webinar for Directors that provides an overview on deeming income eligibility, a webinar for child care staff on subsidy policy and procedure, and a Frequently Asked Questions. This information can be accessed at http://ncchildcare.dhhs.state.nc.us/county/cs_training.asp.

It is important that child care staff utilize the FSIS system so that your child care program maintains compliance with subsidy policy. Please provide this letter to your child care staff and other staff that work with your child care program. In addition, your Subsidy Services Consultant is available to provide training and technical assistance as needed by your agency.

DC:FL

cc: Child Care Coordinators
Subsidy Services Consultants
Program Compliance Staff