

SUBCHAPTER c: FISCAL ADMINISTRATION

PROCEDURES 352: FINANCIAL RESPONSIBILITY OF PARENTS OR GUARDIANS

April 1, 1985

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**== 352.1 Purpose**

**== 352.2 Definitions**

**352.3 Services for Which Assessments Will Be Made**

a) An assessment of liability shall be made when the following services are provided:

1) Day Care

An assessment shall be made for Employment/Training Day Care and Family Maintenance Day Care. However, no assessment of liability shall be made nor a fee charged for protective day care or migrant family day care. (Refer to Rules/Procedures 303, "Access to and Eligibility for Day Care Services", for a full description of the various types of day care.) The parent or guardian of the child(ren) may be assessed a part of or all of the cost of Employment/ Training or Family Maintenance day care in accordance with adopted Rules 352, Appendix A.

A) Employment/Training

A parent or other adult caretaker may apply for day care services when employed or enrolled in an approved training or education program. The application for employment/ training related day care can be made directly with a contracted employment related day care provider or directly at the DCFS Region/Field Office serving the applicant's area.

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Fees which are assessed for employment related day care services shall be made in accordance with the Schedule of Weekly Fees for Center or Non-Center Day Care (Part 352, Appendix A). The assessment process and the notification to the client and/or provider shall be completed by the service provider or designated DCFS staff, dependent upon the place of application. All assessed day care fees shall be paid directly to the day care provider.

### B) Family Maintenance

Family Maintenance day care may be provided to children (through any eligible day care provider) as an auxiliary service in accordance with the specifications outlined in Procedures 303a)2). Any fee assessment for family maintenance day care shall be made in accordance with adopted Rules 352, Appendix A and paid directly to the day care provider.

### 2) Substitute Care

Parents or guardians of the estates of children are liable for all or a part of the cost of care and training of children placed in substitute care living arrangements, including children placed for protective reasons. No assessment shall be made for services provided to refugee unaccompanied minors. Fee assessments for placement in substitute care shall be made by the Division of Management and Budget's Eligibility Unit at Central Office.

Local office staff shall inform the parent(s) or guardian(s) of the child's estate at the time that the child is being placed in a substitute care living arrangement that he/she may be liable for all or a portion of the child's room and board costs. The final determination and notification to the parent or guardian will be made by the Eligibility Unit.

By means of the information reported on the CYCIS Printout CFCM 2041-A, AFDC/MANG Initial Application, the Eligibility Unit shall determine the parental liability. If it is determined that a liability does exist, the parents or guardians of the child's estate shall be notified of the assessed amount, the effective date, and the data used to determine the liability.

### 3) Unmarried Mothers

The Department may provide counseling and in-home services to unmarried mothers for whom the Department has no legal responsibility. However, no assessment of liability will be made for these services.

Liability for substitute care services provided to unmarried mothers for whom the Department is legally responsible is handled in the same manner as 2) above.

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### 352.4 Determination and Notification of Responsibility

- a) Parental liability shall be assessed against parents or guardians of the estates of children for a part of or all of the cost of substitute care or day care services. The parent or guardian shall be notified in writing regarding their liability, other required information in accordance with Section 352.3 above, and the right to appeal.

A determination of liability shall be completed in accordance with adopted Rules 352, Appendix A or B as follows:

- 1) Department Regional/Field staff shall determine the amount of assessment for Employment/Training or Family Maintenance day care provided through application at the Region/Field.
  - 2) Contracted day care providers shall determine the amount of assessment when the client applies directly at the day care facility.
  - 3) The Central Office Eligibility Unit shall determine the amount of assessment when a child is placed in a substitute care living arrangement.
- b) Legally separated or divorced parents shall be assessed liability based upon the amount of individual income received. The custodial parent shall be assessed based upon his/her income and any child support payments (court-ordered or voluntary) received, but the amount of the assessment shall not exceed the cost of care. When a parent fails to make court ordered payments, the Department's Eligibility Unit shall refer the case to the Attorney General Office for enforcement of contempt charges against the non-complying parent.
- c) Parents who are living apart shall both be assessed proportionately based upon individual income when neither parent has been ordered by the court to pay toward the support of the child.

When the parental assessment is greater than the child's cost of care, the assessment shall be shared proportionately in accordance with each parent's income based upon the following formula.

Example: Based upon individual income, the mother is assessed \$100/ month, the father is assessed \$300/month and the cost of the child's care is \$247/month. The

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computation will be completed by dividing each assessment by the total of both assessments, and then multiplying each of these answers times the cost of care.

$$\frac{100}{400} = .25 \times \$247.00 = \$61.75 - \text{Mother's share}$$

400

$$\frac{300}{400} = .75 \times \$247.00 = \$185.25 - \text{Father's share}$$

400

- d) The court is required to order parents or guardians of the child's estate to make payments to the Department in accordance with Rules 352, Appendix B when substitute care services are provided. A copy of the court order shall be forwarded to the Children's Account Unit, Sta. 434, Springfield, by the worker or designated court liaison.

Court-ordered payments received by the Children's Account Unit shall be deposited in the individual child's account and expended for the appropriate care and maintenance of the child.

- e) Requested information regarding the family's gross annual income shall be supplied on the Eligibility I (CFS 1411) and verified via the Declaration of Income form, IL 418-1411B. Department staff shall use the IL 418-1411B in conjunction with the Eligibility I and request the parent(s) or guardian(s) to only sign and date the 1411B when the income information is correct on the Eligibility I. When the Eligibility I income information is incorrect, the 1411B shall be completed with the correct information, signed and dated by the parent(s) or guardian(s). The correct information shall also be entered on the Eligibility I.

The worker shall submit the Eligibility I (CFS 1411) for data entry to ensure that the income information is on CYCIS for generation of a CFCM 2041-A printout to the Eligibility Unit. After the income data is entered, the completed and signed Declaration of Income (1411B) form shall be filed by the caseworker in the client's file until requested. Upon request, the form shall be forwarded to DCFS, Eligibility Unit, One North Old State Capitol Plaza, Sta. 434, Springfield, IL 62706, within ten (10) calendar days of the request.

- f) In order to determine the monthly amount to be assessed for substitute care or other services, the Eligibility Unit will compare the gross annual income and family size to Schedule B of adopted Rules 352. Although the fee schedule (B) allows for the consideration of usual and customary household expenses, parents or guardians of the estate may qualify to claim an additional allowance against their adjusted gross income if certain conditions can be met to demonstrate unusual or extraordinary expenses as follows:

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- 1) Child Support Payments-court ordered child support payments for a child(ren) not in placement with or by the Department; proof of the order and payments is required.
  - 2) Day Care expenses-allowable when evidence (refer to Procedures 303.3a)1)A)) is provided to the Eligibility Unit that day care is necessary to secure and/or maintain employment. For single parents, day care is deemed necessary when the parent is employed or in an approved education/training program.
  - 3) Mortgage/Rent payments - mortgage payments (principal and interest) or rent payments in excess of 15% of the gross income may be allowed when proof of such payments is provided to the Eligibility Unit.
  - 4) Disaster-casualty or theft losses which are not covered by insurance in excess of 10% of the annual income. Evidence must be provided to the Eligibility Unit which proves that no insurance coverage was in force at the time of the damage and certification of the value of the damaged property by a qualified individual.
  - 5) Medical expenses-expenses in excess of 5% of the annual income and not covered by insurance may be allowable when evidence is provided to the Eligibility Unit and such expenses were for family members in the household or for minor children from a previous marriage who are not living in the household.
- g) The Eligibility Unit may request parents or guardians of the child's estate to submit verification of the gross annual income. Acceptable verification may consist of W-2 forms, Federal and State Tax return forms or financial statements stamped by a Certified Public Accountant.

When parents or guardians of the child's estate refuse to provide or submit the requested income information/verification, the Eligibility Unit shall make three (3) written requests and if the information is still not received, the Eligibility Unit shall subpoena the information via the CFS 927, (R 04/85) Subpoena Duces Tecum. Meanwhile, the parent(s) or guardian(s) shall be assessed the full cost of care from the date of service until the requested information is provided.

- h) The Eligibility Unit shall conduct a redetermination of financial liability semiannually while the child is receiving substitute care and/or other services or at any other time when income and family size change. These changes will generally be reported on the Parental Determination Fee Assessment Report, CFCM 2041-B, or the Parental Determinations Change Report, CFCB2021-A. The parent or guardian of the child's

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estate shall be notified in writing of any changes which affect the assessed amount of liability.

### 352.5 Initiation of Charges

Charges will be initiated by the Office of Collections on the first month following the inception of services which are subject to charge or as soon thereafter as each liable person's financial ability subjects him to charges for such services.

A review of the family's financial condition shall be conducted by the worker at the time of the required six-month review via the Eligibility II (CFS 1412) in order to determine whether any changes have occurred which may affect the parents' or guardians' ability to pay. Any changes affecting the financial status shall be reported on the Eligibility I and a Declaration of Income (IL 418-1411B) shall be signed. Any other changes which may affect the charges shall be reported on computer generated reports. However, this shall not preclude parents from reporting changes in their financial status during the six-month period.

### 352.6 Termination of Charges

By means of computer reports from the Office of Information Systems, the Eligibility Unit receives information regarding termination of services. When it has been determined that a service for which an assessment was being made is no longer being provided, the Office of Collections shall prorate the charges to cover the number of days the service was provided, excluding the date that service was terminated.

Before closing the account a determination will be made of any delinquent charges due the Department. Parents or guardians of the child's estates shall be notified in writing when liability ceases. However, if there is an unpaid balance, responsibility for payment continues until the balance has been paid in full. Failure or refusal to pay shall result in a referral to the Attorney General's Office or the appropriate State's Attorney's Office.

### 352.7 Method of Billing, Remittance and Collection

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- b) When a parent or guardian of the child's estate has not submitted any payment toward the assessed liability after the first thirty (30) days, the Office of Collections shall mail a notice of delinquency to the parent or guardian. If no response or payment is received during the next thirty (30) days, a second notice of delinquent payment shall

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be sent to the liable parent or guardian. After ninety (90) days and no response or payment, the parent or guardian shall be sent a "demand" letter from the Attorney General's office which "demands" the delinquent payment. When no response nor payment is received by the Attorney General's office or the Department, the Attorney General's staff will prepare for legal action against the parent or guardian of the child's estate.

- c) Effective with services provided July 1, 1984 and thereafter, monthly interest equal to the prime commercial rate plus 3% will be assessed against the accounts of the parents or guardians of the child's estate when such accounts have become more than sixty (60) days past due. These delinquent accounts will be identified through the Department's computer system after which time the monthly interest will be calculated and applied to the account and the account file subsequently updated.

When a payment is received toward an account which has been assessed interest, the payment shall be applied first toward the amount of interest owed before being applied toward the principal (monthly assessments).

### **352.8 Consideration of Other Benefits**

- a) Refer to Part 353, Children's Accounts and the corresponding procedures.
- b) If benefits received in the child's account do not meet the cost of care, the Eligibility Unit will make an assessment of the parents' ability to pay by subtracting the benefit amount from the assessed amount to determine the parental payment balance. In these instances, the Eligibility Unit shall conduct a cross match with the Children's Accounts Unit.

### **352.9 Rights of Appeal**

- a) The notification sent to parents or guardians of estates informing them of their assessed liability contains a statement of their right to appeal and where to address the appeal. Appeals are to be sent to the Chief, Office of Children's Financial Benefits, One N. Old State Capitol Plaza, Springfield, 62706.
- b) Before an appeal is scheduled, the Eligibility Unit shall thoroughly review the file and all related documents. The liability determination and the amount of assessment will

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be rechecked for accuracy and a check made to assure that the client was properly informed of the determination.

- c) If, after a complete review of the facts in the original file and whatever information a parent or guardian has provided, the manager of the Eligibility Unit determines that a settlement or adjustment of the amount due can be made or that a temporary reduction in payment can be made, he/she may make an Ex Parte correction for error or make adjustments to meet the grievances presented in the request.

### 352.10 Parental Repayment Hearing

- a) If the manager of the Eligibility Unit concludes that a settlement, adjustment, or temporary reduction cannot be made, a Petition for Hearing shall be sent to the parent or guardian for completion. The original file shall be forwarded to the Chief, Office of Children's Financial Benefits Section.

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- e) Examples of Department exhibits which must be included are: Documentation that services are being provided and all correspondence between the Eligibility Unit and the petitioners.

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### 352.11 Hearing Decision

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- b) After the decision of the Director has been sent to the petitioner, all materials shall be returned to the Eligibility Unit and shall constitute the permanent record of the case.