

CHILD CARE & EARLY LEARNING DIVISION

Child Care Policy

Technical Assistance Bulletin 276, Change 1

Keyword: Child Care; Unemployment Insurance; Reemployment Services
Subject: Child Care and Unemployment Insurance Early Warning Report and Child Care Income Report—*Update*
Date: July 13, 2022

This Technical Assistance (TA) Bulletin provides Local Workforce Development Boards (Boards) with information on the Child Care and Unemployment Insurance (UI) Early Warning Report and the Child Care Income Report. The Texas Workforce Commission (TWC) provides these reports through its Division of Fraud Deterrence and Compliance Monitoring (FDCM) Business Support Section (BSS) to assist Boards with detection of potential fraud. Although these reports were initially designed to assist with potential fraud, they can be used to identify child care parents who may need reemployment services.

Additional information about these reports may be found in WD Letter 11-22, issued July 13, 2022, and titled “Referrals from the Child Care and Unemployment Insurance Early Warning Report,” and WD Letter 21-16, Change 3, issued July 29, 2021, and titled “Requirements for Reporting and Fact-Finding for Suspected Fraud, Waste, Theft, Program Abuse Cases, and Recovery of Improper Payments—Update.”

This TA Bulletin updates TA Bulletin 276.

Child Care and UI Early Warning Report

Purpose and Discussion

The Child Care and UI Early Warning Report is a tool to assist Boards in the oversight of Child Care and Development Fund (CCDF) funds. FDCM’s BSS sends this report to Boards twice a month, normally during the first and third week of the month. The report seeks to identify and assess customers who filed a UI claim advising TWC that they are not working and therefore may have experienced a non-temporary change in work status.

The report’s objectives are as follows:

- To prevent child care overpayments by identifying customers before their three-month job search period expires. A customer identified in the report has not necessarily experienced a non-temporary change in work status. Potential child care issues are resolved by verifying the customer’s employment and/or training status using current local procedures.
- To help Boards identify child care customers who may benefit from reemployment services. Using TWC’s integrated workforce system, Child Care Services staff members coordinate referrals to Workforce Solutions Office staff members in order to support individuals identified in the report. Workforce services are tailored to meet each individual’s needs and may offer employment assistance, education, and training to help customers succeed in the labor market and meet their economic needs and those of their communities.

Methodology

The Child Care and UI Early Warning Report identifies active child care customers whose eligibility is based on their employment but who have recently filed for UI benefits and reported to TWC that they are unemployed or have had a reduction in work hours. The report considers only exact Social Security number (SSN) matches.

The Child Care and UI Early Warning Report includes customer records with reason-for-care code 1-Employment or 3-Employment and Training/Education on the TWIST Child Care Program Detail, Family tab, with one of the following TWIST eligibility characteristic codes:

- 10—Low Income
- 2—TANF Applicant

Child Care Income Report

Purpose and Discussion

The Child Care Income Report is a tool to assist Boards in the oversight of CCDF funds. FDCM's BSS sends this report to Boards quarterly. The report seeks to identify and assess customers who are potentially ineligible due to parental and/or custodial changes or underreporting of income that could place the family income over 85 percent of the state median income (SMI). A customer identified in the report is not necessarily ineligible for services; the issue of eligibility may be established only after a thorough review of the customer's case file and may involve contacting the customer for further information.

Methodology

The Child Care Income Report excludes from consideration customers funded through Child Protective Services, foster care, or the Workforce Innovation and Opportunity Act (WIOA) Dislocated Worker program—funding sources that are not subject to the federal income eligibility limits. The methodology for generating the report is to compare all currently available income sources for the parent and/or custodian of a child care recipient to the 85 percent SMI level, using the known family size as identified in TWIST. Currently available income sources for generating the report include UI wage records.

If the SSN and both instances of customer surname match exactly, a record continues through the report process. If a record does not have a 100 percent match on SSN and surname but SSN and at least 75 percent of the characters in the surnames match, it is considered a match and continues through the remaining process. (Previously, if the surnames did not match exactly, the record was excluded from the report.)

Attachments

Attachment 1: Revisions to TAB 276 Shown in Track Changes

Send inquiries regarding this TA Bulletin to childcare.programassistance@twc.texas.gov.

Rescissions:

TA Bulletin 276