

**Child Care Improper Payments Data Collection Instructions: 60-day public comment period
OCC responses to New York**

- 1. The state commented that the DCI does not provide clear standards or sufficient detail on criteria for administrative and payment errors and instead leaves decisions about error definitions to the discretion of states. The state further noted that this lack of a consistent framework increases the burden on Lead Agencies in fulfilling oversight activities and program integrity efforts due to a lack of clear and consistent performance measures.**

OCC Response:

The Child Care and Development Block Grant (CCDBG) Act (42 U.S.C. 9857 *et seq.*) allows states flexibility in how they administer the Child Care and Development Fund (CCDF) program. In addition to federal regulations, states have varying requirements for establishing and verifying eligibility. The error rate methodology outlined in the Data Collection Instructions enables states to determine types of errors and their sources to reflect policies and procedures unique to each state. However, all states must follow the regulations at 45 CFR 98 Subpart K – Error Rate Reporting. Therefore, while states have some flexibility in defining errors, their definitions must be consistent with the definitions of “error” and “improper payment” provided at 45 CFR 98.100.

- 2. The state recommended OCC standardize the review process to be based on federal criteria only, excluding state regulations to the extent practicable. The state noted that standardizing the review process based on federal criteria would provide more meaningful measures to draw comparisons across states and more accurate assessments of states’ compliance with federal objectives.**

OCC response:

States are required to determine eligibility for CCDF services according to the regulations at 45 CFR 98.20. In addition, states may establish eligibility conditions or priority rules in addition to the federal regulations as described at 98.20(b). The CCDF error rate review focuses on a review of states’ eligibility processes to determine whether errors were made. The regulations at 45 CFR 98.100 define “error” as any violation or misapplication of statutory, contractual, administrative, or other legally applicable requirements governing the administration of CCDF grant funds. Therefore, when reviewing case records, states must consider all legally applicable requirements, including both state and federal, to determine whether errors were made during the eligibility process.

- 3. The state shared a recommendation to include the Missing and Insufficient Documentation Table (MID Table) as an appendix to the Record Review Worksheet (RRW) template. The state commented that the embedded placement of this table in the RRW limits its functionality in automated applications, and suggested that including the table as an appendix would allow the user more flexibility in answering the required questions more fully and simplifying application development.**

OCC response

The MID table is included as part of the OMB-approved Record Review Worksheet because it is a required part of the case review process as described in the Child Care Improper Payments Data Collection Instructions. OCC offers states technical assistance when building or updating automated systems to ensure the systems conform to the OMB-approved templates. OCC will consider this comment when developing training and technical assistance for the Record Review Worksheet.

- 4. The state commented that OCC's estimated Annual Burden Estimates listed in the Federal Register Notice are lower than the state's estimated time needed to complete the required forms listed in the Child Care Improper Payments Data Collection Instructions based on the state's most recent completed CCDF error rate review cycle. The state noted that while OCC's estimated burden is broken out by form, the state's estimated time to complete the most recent cycle is not tracked by individual form.**

OCC recognizes that the time to complete this request varies greatly by state based on factors such as organizational capacity, use of information technology systems, and state rules, processes and procedures. This variance was factored into the estimates provided.

To support states' efforts in streamlining the process, OCC offers technical assistance (TA) in the form of training webinars, tools and other resources, opportunities for peer learning, and targeted TA. We will explain this variance during TA and also plan to elicit feedback during upcoming TA to better inform the burden estimates provided. If updates are needed, we will propose revisions through a change request to OMB.