

**RELATIVE PROVIDER AGREEMENT****APPENDIX A – RULES FOR PAYMENT IN THE SUBSIDIZED CHILD CARE PROGRAM****A. PROVIDER INFORMATION UPDATE**

The Child Care Information Services (CCIS) agency will obtain identifying information about the provider the first time the provider has contact with the CCIS. The CCIS will update this information at intervals established by the Office of Child Development and Early Learning (OCDEL). In order to participate in the subsidized child care program, the provider must have a signed Relative Provider Agreement (Agreement) and must provide the information requested by the CCIS at intervals established by DHS. Failure to provide the information requested by the CCIS may result in the termination of the Agreement.

**B. ENROLLMENT**

1. The CCIS will determine the enrollment date for any subsidy-eligible child. Payment is made effective on the first day the child attends following the date authorized by the CCIS on a form prescribed by OCDEL.
2. The provider must submit an invoice to the CCIS for any authorized subsidy-eligible child in order to receive payment for that child. See Section D, "Submitting an Invoice for Payment".
3. The provider may not transfer a subsidy-eligible child to another site or provider without prior written authorization from the CCIS.

**C. PAYMENT**

The CCIS's payment rate for Relative providers can be found in Appendix B.

**1. Types of Payment Rates**

- a. Full-time rate: The payment rate for five or more hours of care per day.
- b. Part-time rate: The payment rate for less than five hours of care per day.
- c. Blended Rate: Rate which combines 180 part-time rates for days during the school year when the child requires part-time care with 25 full-time rates to cover the days during the school year when the child requires full-time care.

The CCIS will pay a blended rate to providers who indicate they will accept the blended payment rate. Providers must accept the blended rate for the entire school year.

The CCIS will not switch to a full-day rate during the school year if the provider gives care for a full day because school is closed. Providers will be paid a part-time rate for the duration of the school year.

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2. Calculating Blended School Year Payment Rates

The blended school year rate is calculated by using 25 days at the provider's full-time Maximum Child Care Allowance (MCCA) and 180 days at the provider's part-time MCCA, divided by 205 days, the total number of days in a school year.

**EXAMPLE: STEP 1**

Full-time MCCA	\$11.00
X 25 full-time days	<u>25</u>
	\$275.00

**STEP 2**

Part-time MCCA	\$7.75
X 180 part-time days	<u>180</u>
	\$1,395.00

**STEP 3**

Total from STEP 1	\$275.00
+ Total from STEP 2	<u>\$1395.00</u>
	\$1,670.00

**STEP 4**

**\$8.15 BLENDED SCHOOL YEAR RATE**

$$205 \overline{) \$1,670.00}$$

- a. If the provider's rates are higher than the MCCA established by DHS, the provider may charge the parent/caretaker the difference.
- b. The CCIS will not pay the provider for any charges in addition to the actual delivery of child care services.
- c. Any payment the provider receives from the parent/caretaker must first be applied to the family's weekly co-payment assessed by the CCIS.

3. Co-payment

- a. The CCIS assesses each family a weekly co-payment which is paid on the first service day of the week and each week thereafter. Parents/Caretakers are also required to pay an equivalent advance co-payment to the provider, which is refunded to the parent/caretaker upon termination of the child's enrollment.
- b. The co-payment covers all the days of the week for which the CCIS authorizes child care.

**APPENDIX A (Continued)**

- c. The full co-payment amount is due to the provider regardless of the number of days of care a child receives in a week.
- d. It is the provider's responsibility to collect the co-payment on a weekly basis and report any unpaid co-payment to the CCIS. The co-payment is delinquent if it is not paid by the last day of the service week.
- e. The provider must report a delinquent co-payment on the business day following the day the co-payment becomes delinquent.
- f. When the parent/caretaker incurs a delinquent payment, and the parent/caretaker makes a payment to the provider, the provider should apply the payment toward the co-payment due for the current week of care. The provider should then apply any remainder of the payment toward the delinquent amount.

**Note:** If the provider has additional outstanding charges with the parent/caretaker (such as transportation fees), the provider must work out a separate arrangement with the parent/caretaker. Any payment that the parent/caretaker makes to the provider must be first applied to cover all delinquent and current co-payments.

- g. The provider must notify the CCIS when the delinquent co-payment is resolved.

**4. Absences**

- a. The CCIS will pay the provider for five consecutive days of absence. On the sixth consecutive day of absence the provider must report the absences to the CCIS. The CCIS will notify the parent/caretaker that eligibility for subsidized child care will be terminated on a specific date unless the child returns to care prior to that date.
- b. The CCIS will pay for a maximum of 25 days of absence for each child during the State's fiscal year (July 1 – June 30). Children funded through the Food Stamp /Supplemental Nutrition Assistance Program are not subject to the 25 days absence limit. This is a cumulative number per child regardless of provider transfers during the fiscal year. If a child's absences exceed 25 days, the parent/caretaker is responsible to pay the provider for all additional absences. The parent/caretaker must pay the provider's verified published daily rate for each day of absence starting with the 26th absence in addition to the weekly co-payment. Suspended days are not considered days of absence.

**APPENDIX A (Continued)****D. SUBMITTING AN INVOICE FOR PAYMENT**

1. The provider must accurately complete attendance invoices each month and document all absences for children who are not in care. The invoice must be submitted to the CCIS monthly on a form provided by OCDEL. The invoice must include the days of attendance and absence for each child. For a newly enrolled child, payment will begin on the first day the child attends. If the child is absent on the initial day of scheduled care, payment will not start until the child attends.
2. The CCIS may audit providers who utilize the No Change code on a regular basis when completing Attendance Invoices. Non-compliance with accurate completion of Attendance Invoices may lead to termination of the Agreement and referral to the Office of Inspector General (OIG) for fraud investigation.
3. The invoice is due to the CCIS by the fifth calendar day of the month following the month child care is provided. The CCIS will not make a payment for an individual child until the signed invoice is received.
4. The CCIS may terminate the Provider Agreement if more than two invoices are received by the CCIS following the 20th calendar day of the month following the month in which child care is provided and the CCIS has taken steps to work with the parent/caretaker's provider but was unable to resolve the problem.
5. The CCIS will not make payment on any invoice received more than 60 calendar days following the last day of the calendar month that child care is provided. Invoices for the months of May and June of the current fiscal year must be received by July 31st.

**E. COLLECTION OF OVERPAYMENTS**

1. If the provider is overpaid by the CCIS for delivering child care, the provider must reimburse the CCIS for the amount that was overpaid. The CCIS may adjust the monthly payment to the provider to recoup any overpayment. The CCIS will explain the adjustment in writing to the provider. If the provider does not pay the overpayment, or if the provider is no longer participating in the Subsidized Child Care Program, the provider will be referred to the OIG for collection follow-up.