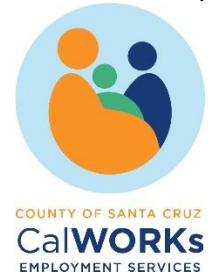


County of Santa Cruz Human Services Department Employment & Benefit Services Division

Stage 1 CalWORKs Child Care: Provider Payment Policy



Policies for License Exempt Providers

The Human Services Department (HSD) will pay for time that the provider has cared for the child(ren) and as scheduled and listed on the Child Care Service Plan (DC 2) certified by HSD. Unrelated exempt providers will be required to complete the Trustline–Live Scan process.

HSD cannot pay for any days/hours that the provider does not provide care for the child(ren) or when the provider is taking care of children from multiple families at the same time.

Policies for Licensed Family Child Care Homes and Centers

The Human Services Department (HSD) will pay for services:

- When the child is scheduled for care as indicated on the Child Care Services Agreement (DC 2) certified by HSD.
- When the provider's program is open and available for services.
- When the child is in attendance or the child is absent based on a reason that meets excused absence criteria (illness of child or parent, family emergency, and absences that are clearly in the best interest of the child) as determined by HSD.
- Up to 10 days per year for *scheduled* vacations and holidays as specified on the *Provider Rate Statement* submitted to HSD.
- According to the provider's written policy on file at HSD.

Providers who are linked to a specific school schedule that charge a flat billing amount regardless of hours or days of care are to clearly describe this policy to HSD on the *Provider Rate Statement (DC 17)*. Mandatory fees, including registration fees, which are charged over and above the hourly, weekly, daily or monthly base fee care will be evaluated by HSD and paid only up to the maximum allowed by state Regional Market Rate regulations. Any amounts above the limits are the responsibility of the parent and are to be paid directly to the provider.

Policies For All Providers

HSD cannot pay for:

- Any days/hours that the child is not approved and scheduled for services as indicated on the Child Care Service Plan (DC 2).
- Any days/hours that the parent's authorized need for services are not in effect (not participating in approved activities, no longer eligible for supportive services, or not approved for care by HSD).
- The cost of meals, recreation, field trips, formula, diapers and deposits unless costs are included in the provider's rates and within the maximum amount HSD can pay.

Part-time and full-time care are defined as follows:

- "Part-time care" for reimbursement purposes, is defined as care certified for a child for fewer than 25 hours per week.
- "Full-time care" is defined as care certified for a child for 25 or more hours per week.

Provider Responsibilities

- Providers are to review the DC2 within three days of receipt to make sure that it accurately reflects their rates and contact the Child Care Specialist if rates are inaccurate or if there are questions about how much HSD will pay.
- Providers are required to give the HSD Child Care Specialist or Fiscal Unit one calendar month advance written notice of rate changes. The change will become effective for all children funded by HSD on the first of the month following 30 days written notice.
- Providers are responsible for notifying the HSD Child Care Specialist within three days when they are no longer caring for a child or when a child has been absent for five consecutive days in a row.
- On rare occasions, parents will owe a family fee that will be deducted from the HSD payment. The provider is responsible for collecting the family fee directly from the parent. If a family fee applies it will be indicated on the DC 2.
- Providers are to inform the HSD Child Care Specialist when they have a change in name or address and are to complete an updated W-9 form.
- The provider must ensure that the parent has unlimited access to his/her child whenever the child is in their care.

Billing For Reimbursement/Payments

- To receive payment for childcare services, the provider must submit the white, yellow, and pink copies of the completed *Child Care Reimbursement Claim* (DC 10A). The goldenrod copy is for the provider's records.
- All claims are to be submitted to:
 - County of Santa Cruz – Human Services
 - Department Attention: Fiscal Unit
 - P.O. Box 1320
 - Santa Cruz, CA 95061
- Claims for reimbursement are due immediately following the month of service. Payments may be delayed if claims are incorrect or incomplete. Payment will not be made before the end of the service month, even when the services terminate before the end of the month.
- The HSD Fiscal Unit will process received claims and issue payment within 21 calendar days. Payments are made directly to the provider.
- If the County is unable to make payment within 21 calendar days due to extenuating circumstances, the impacted provider will be notified within a reasonable timeframe of when the County becomes aware of the circumstance causing the delay of reimbursement payment. Extenuating circumstances may include an emergency or payment system malfunction.
- If a provider submits a DC 10A for multiple children, and not all individual records or invoices within the submission include adequate information to provide a payment, payments will not be withheld for those records or invoices that do include adequate information to provide a payment.
- The DC 10A can be processed without a parent's signature when all of the following conditions apply:
 - The parent has not communicated with the provider for a minimum of seven consecutive days.
 - The provider has notified the County Child Care Specialist of the parent's lack of communication.
 - The County has documented the provider's unsuccessful attempts to collect a signature.

- When services are discontinued, the final claim for a child is to be received by the HSD Fiscal Unit no later than 30 days following the last month of care.
- **For In-Home Providers only:** The provider is an employee of the CalWORKs Employment Services participant approved for childcare services. The law requires that in-home providers be paid minimum wage by the employer/participant even though the amount subsidized by CalWORKs may be less. The employer/participant is also responsible for employment-related taxes and employee withholding. Contact the IRS, California Franchise Tax Board or Employment Development Department directly for employment law related questions.
- At the end of the calendar year, all payments made directly to providers by HSD, as well as family fees collected by the provider, will be reported to the Internal Revenue Service. A MISC 1099 form will be sent to the provider by HSD unless the provider was paid less than \$600 during the year and the IRS is not notified.

Overpayments/Underpayments

Overpayments

- Overpayments that are the responsibility of the Provider
- Providers are responsible for overpayments resulting from the actions of the participant (Parent did not have good cause for failure to comply).
- In other instances when a childcare provider is paid for childcare services that were not provided, or are paid more than regulations allow, the childcare provider is responsible for the overpayment. Examples would include billing mistakes or payment errors.
- When the overpayment is identified, HSD Fiscal Staff will contact providers directly to arrange repayment and obtain written consent to initiate recovery.
- A timeframe for recoupment will be agreed upon based on provider’s ability to repay.
- Repayments for childcare overpayments will be processed within 24 hours of receipt and tracked by HSD Fiscal.

Underpayments

- If an underpayment is identified, HSD Fiscal will make a supplemental payment to the provider as soon as made aware of the finding.

HSD Contact Information

Questions or assistance needed with forms:	Child Care Specialist (831) 763-8561 HSDCWES.Childcare@santacruzcountyca.gov
To report absences of 5 days or more:	Child Care Specialist (831) 763-8561 HSDCWES.Childcare@santacruzcountyca.gov
Payment not received after <u>21 calendar days of claim submission:</u>	Child Care Fiscal Unit (831) 454-4195

Certification

- Center Providers: By signing this document Center Providers certify that the rate fee schedule for private paying parents defines the MAXIMUM rate they will charge HSD for services.
- Center Providers: By signing this document, Center Providers certify that at least 25% of the children enrolled in their program are from private paying families. If more than 75% of children enrolled are subsidized by local, state or federal agencies, the provider must apply for a waiver to care for additional HSD children. Waiver forms may be requested from HSD.
- Parents Using In Home Providers: By signing this document the parent using an In-Home Provider certifies that they understand that they are the employer of the provider and their legal obligations as an employer.
- All Providers: By signing this document, the provider certifies that they have read and understand and agree to comply with all payment polices.

Provider's Signature: _____

Date: _____

Parent's Signature: _____

Date: _____