



**North Carolina Department of Health and Human Services
Division of Child Development and Early Education**

Roy Cooper
Governor

Dempsey E. Benton
Interim Secretary

Pamela L. Shue
Director

SUBSIDIZED CHILD CARE ASSISTANCE ADMINISTRATIVE LETTER #01-17

TO: Directors County Departments of Social Services
Directors of Other Local Purchasing Agencies

SUBJECT: Changes to Subsidized Child Care Assistance Program Policy

ATTENTION: Child Care Coordinators
Other DSS Personnel who work with the Subsidized Child Care Assistance Program

ISSUE DATE: January 17, 2017

EFFECTIVE DATE: The First Month a Payment is Processed through NC FAST

The purpose of this Administrative Letter is to communicate changes to the Subsidized Child Care Assistance Program policy regarding:

- (1) Parental Choice Signature
- (2) Reporting Absences and Submitting Attendance
- (3) Payment Based on Enrollment with Three Exceptions
- (4) Vouchers in the NC FAST Provider Portal

Parental Choice Signature

1. General Information:

In accordance with Chapter 9, I., "Federal regulations of child care funds require that parents be allowed to choose a child care arrangement from a variety of providers."

In accordance with Chapter 9, III., C., 2., "After determining eligibility for child care services, the child care worker asks if the parent has selected a provider. Parents may choose from a variety of legally operating child care providers eligible for participation in the SCC Program. If the parent has not selected a provider, the child care worker should offer information that will help the parent make an informed choice regarding selecting a child care arrangement."

In accordance with Chapter 9, III., C., 3., "The child care worker cannot issue the Child Care Voucher to the parent until the parent chooses a provider and the case information is entered into SCCRS. The parent submits the Child Care Voucher to the provider. The provider completes the provider information (provider's name, location address, license number, etc.) and indicates the date that child care will begin."

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2. Policy:

The recipient's signature is needed to confirm the parental choice of a selected child care arrangement and to indicate that the recipient agrees to pay the provider if or when services are received after becoming ineligible for child care assistance.

3. Procedure:

Whenever a recipient has been determined eligible for child care assistance, the child care worker will assist the recipient with selecting a child care arrangement of the recipient's choice. After the recipient has made a provider choice, the voucher will be generated through NC FAST and the child care worker will print the voucher and have the recipient sign the voucher before the voucher is electronically submitted to the child care provider through the NC FAST Provider Portal. If the recipient cannot make an office visit to sign the voucher, the voucher has to be mailed. The voucher must be signed by the recipient and returned to the child care worker. Once the child care worker has received the signed voucher from the recipient, the child care worker must indicate in NC FAST that the recipient has signed the voucher and the voucher will be electronically submitted to the provider. The voucher must be maintained by the county.

Reporting Absences and Submitting Attendance

1. General Information

Current policy in Chapter 20, II explains that providers are required to submit monthly attendance reports to their Local Purchasing Agency (LPA) before payment can be made.

2. Policies

Providers are required to report absences and submit attendance rosters in the NC FAST Provider Portal in order to receive payment. Rosters must be submitted by 7:00 p.m. on the 5th calendar day of the next month after services were provided. Providers must submit attendance for every child before payment can be made. Incomplete rosters cannot be submitted. If rosters are submitted after the 5th of the month, providers will not receive their subsidy payment until the following month. Payment will not be made for unsubmitted rosters. There will only be three (3) months of rosters available at any time in the NC FAST Provider Portal. These three (3) months consist of the current month and two previous months. There will be no payments made for any attendance rosters that are prior to the two previous months. Attendance rosters older than two (2) previous months will cycle out on the last day of the month.

3. Procedures

Providers should submit monthly attendance rosters for every child through the NC FAST Provider Portal by 7:00 p.m. on the 5th calendar day of the next month.



Payment Based on Enrollment with Three Exceptions

1. General Information

In accordance with Chapter 20, II. "Payment for subsidized child care services is typically based on enrollment but in some instances may be based on attendance. The provider must submit monthly attendance reports before payment can be made."

Current policy in Chapter 20, II., B., states "The county has the option to pay for child care services based on attendance when: 1. The child has been absent for more than five (5) days but less than ten days in any calendar month and the provider has not notified the LPA; 2. The child has been absent for more than ten (10) days; or 3. The provider charges only on the basis of attendance.

2. Policies

New policy states that payment will be made for child care services based on attendance when (1) the child has been absent more than ten (10) days; (2) the provider charges only on the basis of attendance; or (3) the provider has an unpaid closure. Payment will be automatically calculated.

3. Procedures

Providers will indicate in the Provider Portal if the provider charges based on attendance only. Providers who charge only on the basis of attendance, will not be paid for any days a child does not attend the child care facility. This includes when the child is absent, provider closures, emergency closures, provider holidays, and any day the facility is closed.

Vouchers in the NC FAST Provider Portal

1. General Information

In accordance with Chapter 9, III., C. Issuing the Child Care Voucher

"The LPA initiates the voucher upon determining that a family is eligible to receive child care services and the family has chosen a provider. The voucher is completed by the child care worker of the LPA, the parent, and the provider as follows:

1. The child care worker completes the top part of the form to specify the date and to whom the voucher must be returned.

The remaining top portion of the form is completed by the child care worker. The information required includes:

- a. Parent's name and address;
- b. Parent's language preference;
- c. Child's name;
- d. Child's date of birth;
- e. Child's race;
- f. Child's gender;
- g. Child's ethnicity;
- h. County case number;
- i. Child's DCS ID number;
- j. Child care funding source;

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- k. Eligibility period for services (this includes the beginning and ending dates of the 12-month eligibility period);
- l. Whether the payment will be made to the provider by the parent or the LPA;
- m. Parental fee amount;
- n. Date the parental fee begins;
- o. Days and hours that care is needed;
- p. Comments (if needed).

The form is signed and dated by the child care worker and the director's designated agency representative prior to giving the voucher to the parent. The LPA's contact and telephone number are also filled in for the parent's and provider's reference. The parent is required to sign the Child Care Voucher before it is given to the provider. If the parent cannot come to the office to sign the voucher, the information to complete the voucher may be obtained by telephone and the voucher may be mailed to the parent. The parent's signature is needed to confirm parental choice and to indicate that the parent agrees to pay the provider if she receives services after becoming ineligible for child care services."

In accordance with Chapter 9, III., E. Distribution of the Child Care Voucher

"Copies of the completed child care voucher are maintained at the LPA and are distributed as follows:

1. A copy is retained by the LPA when the voucher is initially issued and should be used for tracking purposes;
2. The original copy is returned to the LPA and information is used for payment purposes;
3. A copy is retained by the provider; and
4. A copy is given to the parent."

2. Policies

Upon the implementation of NC FAST, vouchers will be generated electronically.

Upon determining that a family is eligible to receive child care services and the family has chosen a provider, the voucher will be completed by the child care worker or the LPA, the parent, and the provider as follows:

1. The child care worker will enter all information into NC FAST.
2. The provider will be able to view vouchers in the NC FAST Provider Portal once the provider is enrolled and after the vouchers have been issued.
3. Initially, the voucher will be listed as pending parent signature. After the parent signs the voucher, it will be pending provider signature. If the provider has not enrolled, the voucher will also be pending provider enrollment.

3. Procedures

Once the parent signs the voucher, the LPA will acknowledge the parents' signature by indicating the action in NC FAST. The status of the voucher will then change to pending provider signature. The provider then accepts or rejects the voucher through the NC FAST Provider Portal. This updates the status in NC FAST. If the provider has not enrolled, the voucher will also be pending provider enrollment.

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If you have questions about the information in this letter, or other Subsidized Child Care Assistance Program questions, please contact dcdee.subsidy.policy.help@dhhs.nc.gov to reach technical assistance and policy consultation.

Sincerely,



Pamela L. Shue, Ed. D.

