



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

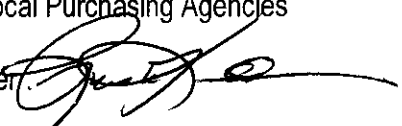
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Robert W. Kindsvatter
Director

SUBSIDIZED CHILD CARE SERVICES ADMINISTRATIVE LETTER No. 03-14

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

FROM: Robert W. Kindsvatter 

SUBJECT: Families Who Have a Parental Fee Amount that Exceeds the Cost of Care
Policy for Before and After School Care and Upcoming
January 1, 2015 Policy Changes

ISSUE DATE: December 8, 2014

The purpose of this letter is threefold. First, is to provide guidance for assisting eligible families when they need before and/or after school care and the parental fee amount exceeds the cost of care. Second is to inform counties of a change to the policy regarding before and/or after school care for school-age children which was included in Change Notice #3-14 dated September 19, 2014. Finally, to provide information related implementation of the policy changes that will take effect January 15 due to changes from the 2014 legislative session.

Recent policy changes eliminating the proration of the parent fee for part time care has created some instances where the parental fee for services is in excess of the providers' rates for that level of care. Since the program payment to the provider is equal to the benefit less the parental fee, in these cases there is no program benefit to be paid to the provider.

However, it is important to note that there are instances where these families may be eligible for care. For example, families may be eligible for full days of care associated with summer, track out days, holidays and teacher work days. In these instances care should be authorized if the appropriate payment rate exceeds the monthly parental fee amount.

Change Notice #3-14 was made indicating that the Payment Policies and Procedures section of Chapter 20 was to be revised to align the before and/or after-school policies for school-age children with the policies for preschool age children. After further consideration, these policies will not be adjusted at this time pending further review and examination. Policies as written in Chapter 20 that were in effect prior to October 1, 2014 will remain unchanged pending this review.

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Finally, a Change Notice will be issued this week to reflect implementation of the January 1, 2015 policy changes. In order to assist counties in understanding these new policies and answering any questions that may arise, a conference call will be held on December 16, 2014 at 9:30 AM. We encourage you, your child care staff and all other agency staff who work with the Subsidized Child Care Program to participate on the call.

The conference call number is 866-590-5055; passcode 3603848#. In the meantime, if you have any questions regarding this letter, please contact staff in the Subsidy Services Section at 919-527-6590.

RWK/SY

cc: Child Care Coordinators
Subsidy Services Consultants
Program Compliance Consultants