



SUBSIDIZED CHILD CARE ASSISTANCE ADMINISTRATIVE LETTER #03-22

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

SUBJECT: Clarification of Subsidized Child Care Assistance (SCCA) Program Policy

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

ISSUE DATE: September 30, 2022

EFFECTIVE DATE: September 30, 2022

The purpose of this Administrative Letter is to clarify SCCA policy regarding: **Pay by Attendance Check Box**

1. General Information

Prior to NC FAST, Local Purchasing Agencies (LPA's) used the Subsidized Child Care Reimbursement System (SCCRS) to pay providers for the subsidy children who attended their facilities. During that time, when a child's plan of care (POC) changed from pay by attendance to pay by enrollment in the middle of the month and the service code remained the same, providers' reimbursements were prorated for the month the change occurred. For the portion of the month authorized as pay by attendance, providers only received payments for the days the child attended the facility. For the portion of the month the child was authorized as pay by enrollment, providers were paid for those days based on the child's enrollment. The total of the two POC's were combined to create the monthly payment.

The design of NC FAST does not allow two separate payment rates for one child at the same provider in the same month when the service stays the same.

2. Policy

New policy requires that whenever the service stays the same, then goes from pay by attendance to pay by enrollment during the month (not on the 1st day of the month), NC FAST will calculate payment based on pay by attendance for the entire month. This will not be considered an underpayment.

Example:

- 4-year-old service
 - October 1 – October 15 is pay by attendance
 - October 16 – October 31 is pay by enrollment
 - NC FAST will NOT create 2 roster line items
 - Payment will be calculated as pay by attendance for the entire month

If the service stays the same, then goes from pay by enrollment to pay by attendance during the month (not on the 1st day of the month), NC FAST will calculate payment based on enrollment for the entire month. This will not be considered an overpayment.

Example:

- 4-year-old service
 - October 1 – October 15 is pay by enrollment
 - October 16 – October 31 is pay by attendance
 - NC FAST will NOT create 2 roster line items
 - Payment will be calculated as pay by enrollment for the entire month

If the pay by attendance box is checked during the month **and there is also an accompanying service change**, NC FAST will create a separate roster line item and prorate payment for the month. This will not be considered an overpayment.

Example:

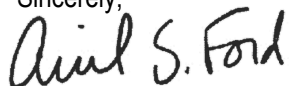
- 5-year-old service changes to Before/After school service
 - 5-year-old service was pay by attendance from November 1 – November 15
 - Before/After school service is pay by enrollment from November 16 – November 30
 - NC FAST will create 2 roster line items and prorate based on the service listed for each of the roster line items
 - One-line item will be for November 1-15 and the other will be for the November 16-30
 - Provider would enter attendance accordingly for the month and NC FAST will calculate payment based on the service, both would be prorated, and the combined payment would be made to the facility.

3. Procedures

When a worker changes pay by attendance box during the service month (not on the 1st day of the month), NC FAST will calculate payment per this policy and will not generate overpayments or underpayments for these scenarios. No further action is needed by the worker.

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,



Ariel Ford
AF/TWB