



North Carolina
Department of Health and Human Services
DIVISION OF CHILD DEVELOPMENT
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Michael F. Easley, Governor • Carmen Hooker Odom, Secretary • Peggy M. Ball, Director

SUBSIDIZED CHILD CARE SERVICES MANUAL ~ CHANGE NOTICE #1 – 05

TO: County Departments of Social Services
Other Local Purchasing Agencies
State Level Contract Agencies

FROM: Nancy D. Guy

SUBJECT: Revisions to the Subsidized Child Care Services Manual

ISSUE DATE: January 31, 2005

The purpose of this Change Notice is to communicate changes that have been made in the Subsidized Child Care Services Manual. A summary of the substantive changes are described below. The changes are effective February 1, 2005 unless indicated otherwise, and are highlighted in the Manual by a line in the left hand margin.

Chapter 3: Roles and Responsibilities

Revisions were made in Attachment I of Chapter 3 to clarify that LPA staff must provide information to child care providers regarding their approved rates and must collect information about sliding fee scales and scholarships.

Chapter 5: Establishing Need and a Plan of Care

Revisions were made in this chapter to reflect the current terminology used by county DSS staff related to the provision of child protective services. The policy also includes an explanation of the referral language that is used when a county has implemented the Multiple Response System.

Chapter 12: Licensing Requirements for Child Care Centers

This chapter was revised to indicate that it is no longer necessary for a center's license to reflect approval to serve children over age 12 in order to receive subsidy payment.

Chapter 16: Approval and Enrollment Procedures for Licensed Facilities

A revision was made in this chapter to indicate that it is no longer necessary for the provider to contact the Licensing Consultant to revise the license in order to serve children over age 12 if the provider is already approved to serve school-age children.



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Chapter 18: Child Care Transportation

A change is being made in Chapter 18 regarding the steps needed before paying a provider for child care transportation. In the past, a notation of *Transportation Compliant* was required on the Approval Notice before a subsidy payment could be issued. This notation will be removed from the Approval Notice as it is not an accurate reflection of what occurs on the licensing end. When DCD Licensing Consultants visit providers to determine compliance with licensing standards, they review the transportation requirements as described in licensing rules. If the provider indicates that they plan to provide transportation, the *Yes* block in the Regulatory System is marked. The *Yes* block does not reflect compliance with transportation requirements merely that the provider has indicated they plan to offer transportation. This means that it is no longer necessary for Subsidy Approval Notices to include a notation regarding transportation compliance before a subsidy payment can be paid. The provider must report a rate and that rate is compared to the allowable subsidy transportation rates described in Chapter 18.

A change was also made in this chapter to reflect the new child safety restraint requirements.

Chapter 20: Payment Policies

This chapter includes new information regarding payment of care for children whose parents are in the Armed Services or are incarcerated. Changes also include serving children over age 12.

Chapter 21: Payment Rates

This chapter contains new policy. When a provider chooses to offer parents varying rates based on a sliding fee scale or a reduced rate based on a scholarship, the provider's policies pertaining to the sliding fee rates or the scholarship must be in writing and available to all families and submitted to the LPA. It is necessary for the LPA to also collect a sample copy of the application the provider uses to determine a parent's eligibility for the assistance.

This policy will be implemented for all new providers who enroll in the Subsidized Child Care Program on or after February 1, 2005. The implementation date for currently enrolled providers is July 1, 2005, or when the LPA has completed the annual provider enrollment process, whichever is later.

Also included is an attachment that providers may use to submit to the LPA documentation of their sliding fee scale and/or scholarship information.

Chapter 23: Fraudulent Misrepresentation and Overpayments

Changes were made in this chapter to reflect the current practice related to the notification of sanctions imposed on child care providers and parents. The policy revision clarifies that the Division of Child Development is the agency responsible for notifying providers or parents of the decision made by the Division regarding the county's request to impose a sanction.

Instructions for Maintenance of Subsidized Child Care Services Manual

Your agency must maintain at least one copy of the previous manual material for reference during single audits, state monitoring visits and fraud investigations. We recommend that staff review the changes to become familiar with the new information prior to the training that will be scheduled in February by the Subsidy Services Consultant assigned to your county.

Remove

Pages v-vi of Table of Contents
Dated October 2002

Insert

Replace with Pages v-vi of the Revised
Table of Contents Dated February 2005

Change Notice #1-05
Page 3 of 3
January 31, 2005

Pages 1-3 of **Chapter 3**
Attachment 1, Dated October 2002

Pages 1-3 of revised **Chapter 3**
Attachment 1, Dated February 2005

Pages 7-15 of **Chapter 5**
Dated October 2002

Pages 7-15 of revised **Chapter 5**
Dated February 2005

Page 3-4 of **Chapter 12**
Dated October 2002

Page 3-4 of **Chapter 12**
Dated February 2005

Pages 5-8 of **Chapter 16**
Dated October 2002

Pages 5-8 of revised **Chapter 16**
Dated February 2005

Pages 1-6 of **Chapter 18**
Dated October 2002

Pages 1-6 of revised **Chapter 18**
Date February 2005

Pages 9-21 of **Chapter 20**
Dated October 2002

Pages 9-21 of revised **Chapter 20**
Dated February 2005

Pages 1-16 of **Chapter 21**
Dated October 2002

Pages 1-19 of revised **Chapter 21** and
Attachment 2 Dated February 2005

Pages 11-20 of **Chapter 23**
Dated October 2002

Pages 11-20 of revised **Chapter 23**
Dated February 2005

DCD Form 0451 and
Provider Instructions
Dated October 2002

Revised DCD Form 0451 and
Provider Instructions
Dated February 2005

DCD Form 0452
Dated October 2002

Revised DCD Form 0452
Dated February 2005

DCD Form 0458 and Instructions
Dated October 2002

Revised DCD Form 0458 and Instructions
Dated February 2005

Appendix A, pages 1-2
Dated October 2002

Revised Appendix A, pages 1-2
Dated February 2005

A copy of this **Change Notice** should be retained in your manual in **Appendix E**.

Only a limited number of copies of this Change Notice will be printed. If your agency needs additional copies and cannot make them at the local level, please contact Macy Jones in the Subsidy Services Section at (919) 662-4561. The manual can be accessed on-line at <http://info.dhhs.state.nc.us/olm.manuals/dcd/ccs/man/index.htm>. Questions regarding the manual materials should be directed to your Subsidy Services Consultant.

Enclosures

NDG/MJ