

I. CHAPTER OVERVIEW

Child care payments are issued as vendor payments to providers and the local purchasing agency (LPA) claims reimbursement through the automated Subsidized Child Care Reimbursement System. Payment for subsidized child care services is determined by the plan of care and provider charges, based on the child's enrollment or attendance. This chapter discusses the policies for payment. Information regarding allowable payment rates is located in Chapter 21: Payment Rates.

If the LPA establishes payment policies in addition to those described in this chapter or in the Child Care Provider Agreement (DCD-0452) provided by the Division, the policies must be submitted to the local purchasing agency (LPA) director and local governing board for approval prior to submission to the Subsidy Services Consultant. The Subsidy Services Consultant reviews and follows the approved protocol set by the Division. The Division issues an approval letter with the final version of the approved policies to the LPA. Signatures of the LPA director and the Board Chair and date are required on the final copy of the policies which must be kept on file in the LPA's office. Local payment policies must be in writing, signed by the LPA and providers, and filed with the Child Care Provider Agreement (DCD-0452). The LPA and provider must maintain a signed copy of the Child Care Provider Agreement (DCD-0452). Refer to Chapter 22: Local Policy Options for information regarding local policies. LPAs must develop a uniform manner to notify parents and providers of local policies and revisions. LPAs must provide parents access to current local policies and providers must be given a copy.

NOTE: The LPA can implement the local policies and Child Care Provider Agreement once the Division issues the approval letter.

II. BASIC PAYMENT POLICY

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.

The Approval Notice displayed in the Subsidized Child Care (SCC) Reimbursement System for each provider indicates the maximum full and part-time rates based on market rates. Out-of-state providers do not have an Approval Notice. The LPA enters the provider's approved rate up to the market rate in the SCC Reimbursement System when making payment.

A. Payment Based on Enrollment

The payment is made based strictly on **enrollment** when the child is enrolled