TO: DIRECTORS, LOCAL DEPARTMENTS OF SOCIAL SERVICES
DEPUTY/ASSISTANT DIRECTORS FOR FAMILY INVESTMENT
FAMILY INVESTMENT SUPERVISORS AND ELIGIBILITY STAFF
PURCHASE OF CHILD CARE PROGRAM ADMINISTRATORS

FROM: KEVIN MCGUIRE, EXECUTIVE DIRECTOR, FIA
ROLF GRAFWALLNER, ASSISTANT STATE
SUPERINTENDENT, DIVISION OF EARLY CHILDHOOD
DEVELOPMENT, MSDE

RE: PURCHASE OF CHILD CARE CHANGES RELATED TO
PAYMENT PROCESSING

PROGRAM AFFECTED: PURCHASE OF CHILD CARE

ORIGINATING OFFICE: DIVISION OF EARLY CHILDHOOD
DEVELOPMENT, MSDE

SUMMARY: Effective October 15, 2007, the Office of Child Care Subsidy is
making some changes in the regulations that may affect the way child care
subsidy payments are calculated.

ACTION REQUIRED: There are no new actions required. The following
changes will be modified in the system and/or COMAR:

- Calculation of payments from monthly to weekly – payments will be
calculated based on weekly rates.
- Service period – the two week period for which child care providers can
provide service and receive payment.
- Service days in a month – the average number of days in the month that
are used to calculate payment is 21.69.
- 1/3 and 2/3 – the numbers multiplied by the weekly rate to get the one
(1/3) and two (2/3) unit regional weekly rates.
- Non-traditional care percentages – child care providers who offer care
during nontraditional hours will receive 5% above the regular rate for one
unit of care, 10% above the regular rate for two units of care, and 15% above the regular rate for 3 units of care.

- Overpayment processing – ten percent of a total overpayment must be recovered from customers and child care providers each month for a nonfraudulent overpayment. Twenty percent of a total overpayment must be recovered from customers and child care providers each month for a fraudulent overpayment.

**SYSTEM PROCEDURES:** Any changes will be entered in the system, therefore POC staff are to continue following current CCATS procedures.

**ACTION DUE:** October 15, 2007

**INQUIRIES:** Direct policy or procedures inquiries to Betsy Blair at 410-767-7845 or bblair@dhr.state.md.us. Direct system inquiries to the MSDE/CCATS Help Desk at 410-767-7816 or MSDECCATS@msde.state.md.us.

**cc:** Office of Child Care Subsidy, MSDE
MSDE/CCATS Help Desk
DHR Executive Staff
FIA Management Staff
Constituent Services
OTHS Help Desk