



Department of Human Resources
311 West Saratoga Street
Baltimore MD 21201

FIA ACTION TRANSMITTAL

Control Number: 00-49

Effective Date: May 1, 2000

Issuance Date: April 28, 2000

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: ROBERT J. EVERHARD, EXECUTIVE DIRECTOR, FIA
LINDA HEISNER, EXECUTIVE DIRECTOR, CCA

RE: PURCHASE OF CARE (POC) PROVIDER PAYMENT CHANGES

PROGRAM AFFECTED: PURCHASE OF CARE (POC)

ORIGINATING OFFICE: CHILD CARE ADMINISTRATION
OFFICE OF PROGRAM DEVELOPMENT

SUMMARY:

Effective May 1, 2000, the Child Care Administration is making regulatory and/or procedural changes to the Purchase of Care (POC) program. This action transmittal provides information on changes associated with provider payment.

1. INFORMAL RATES:

Informal rates will change so that the maximum rates for informal child care are established at 41% of the Family Child Care rate. See Attachment A.

2. ADJUSTED COPAYMENTS:

Copayments will be adjusted for families using regulated and informal child care. At new income levels I and J, the adjustment for the youngest child in care will be to a maximum of 42% and 43%, respectively, of the monthly rate. At new income levels I and J, the adjustment for the second and third children in the family will be to a maximum of 32% and 33%, respectively, of the monthly rate. Some adjustments will be made to level H copayments to accommodate the new levels. See Attachment B.

3. SCHOOL AGE PAYMENT SCHEDULE:

A new school age payment schedule will be implemented. A provider will receive a flat monthly rate based on a 42 week average of the one or two unit rate paid when school is in session (36 weeks) and the three unit rate paid for school closures (6 weeks) during the school year (holidays, emergency closures, teacher work days, etc.) The three unit rate will apply for the ten week summer vacation. Currently, the school age rate varies every month based on the number of school closing days in the particular service month.

4. DIFFERENTIAL RATE:

Providers will be paid a differential rate for care provided during non-traditional hours. Non-traditional hours are:

- 1 hour or more between 7 p.m. and 6 a.m.
- Any period of 1 hour or more on Saturday or Sunday

5. PROVIDER VOLUNTARY CLOSURE DAYS:

Finally, providers will not be required to report voluntary closure days. They will be paid for those days.

NOTE: Notification will be sent from the Child Care Administration to all customers with active POC cases regarding the changes to provider payment. The Child Care Administration will provide training to local departments of social services and work with community groups, such as regional resource and referral centers and child care provider organizations, to inform customers and providers of the changes.

ACTION REQUIRED:

1. INFORMAL PROVIDER RATES:

Informal rates will not change in all jurisdictions. Case managers and invoice processors should refer to Attachment A for the new informal provider rates. Rates that have changed appear in bold. Informal provider rates for copay levels F, G and H will be modified in CCAMIS and levels I and J will be added.

2. ADJUSTED COPAYMENTS:

Case managers and invoice processors should refer to Attachment B for the new copayment scale. Levels I and J have been added and level H has had some adjustments made to accommodate the new levels.

3. SCHOOL AGE PAYMENT SCHEDULE:

It is important that the case manager explain to customers the new payment schedule for school age children. The flat monthly school age rate is based on a 42-week payment schedule that is calculated by averaging the child's rate for:

- 36 weeks of authorized one or two service units when school is scheduled to be in session, and;
- 6 weeks of authorized three service units when school is scheduled to be closed

CCAMIS will convert to the three unit rate for summer at statewide standard dates for begin and end dates of summer equal to 10 weeks.

In instances where the child is attending a year-round school, the 52-week payment schedule is calculated by averaging the child's rate for:

- 36 weeks of authorized one or two service units when school is scheduled to be in session, and;
- 16 weeks of authorized three service units when school is scheduled to be closed

The provider will no longer indicate school closing days on the invoice. Invoice processing staff will no longer enter school closing days on CCAMIS. Absences will continue to be entered for each child.

4. DIFFERENTIAL RATE:

If a customer is eligible for child care during non-traditional hours, the case manager will issue a voucher, indicating on CCAMIS that the voucher is for non-traditional hours and the system will display the differential rate on the voucher and pay at the differential rate.

Non-traditional hours are:

- 1 hour or more between 7 p.m. and 6 a.m.
- Any period of 1 hour or more on Saturday or Sunday

The differential rate will be:

- 5% increase over subsidy for less than 2 hours

- 10% increase over subsidy for 2 hours or more, but less than 4 hours;
- 15% increase over subsidy for 4 hours and more

If child care is authorized for both traditional and non-traditional hours, two vouchers must be issued, one covering the traditional hours and the other covering the non-traditional hours. The voucher covering the traditional hours will be paid at the regular rate. The voucher covering the non-traditional hours will be paid at the differential rate.

5. PROVIDER VOLUNTARY CLOSURE DAYS:

The invoice has been modified to exclude the request for the number of voluntary closure days and invoice processing staff will not be required to enter them on CCAMIS as non-pay days.

CCAMIS PROCEDURES:

1. INFORMAL PROVIDER RATES:

There are no procedural changes. After May 1st vouchers will display the new informal provider rates and CCAMIS will calculate payment at the new informal provider rates.

2. ADJUSTED COPAYMENTS:

There are no procedural changes. After May 1st CCAMIS will display the adjusted copayments and subsidies on the voucher and will calculate payment at the adjusted rate.

3. SCHOOL AGE PAYMENT SCHEDULE:

Case managers will indicate on the voucher screen the days and hours of care and that the voucher is for a school age child with a 10 week continuous summer vacation. CCAMIS will compute a one or two unit rate based on weekly hours entered and average that rate with the three unit rate for 6 weeks of school closure days. Vouchers for these children will display the flat monthly school age rate and the 3 unit summer rate. If a child is in a year-round school, case managers will indicate that on the voucher screen and the voucher will display the flat monthly rate with no 3 unit summer rate.

CCAMIS will calculate payment according to the new school age schedule for service effective May 1, 2000.

4. DIFFERENTIAL RATE:

Case managers will indicate on the voucher screen that the voucher is for non-traditional hours. CCAMIS will display the appropriate differential rate on the voucher and will calculate payment at that rate.

5. PROVIDER VOLUNTARY CLOSURE DAYS:

CCAMIS will not consider provider voluntary closure days in calculating payment.

ACTION DUE:

All changes are effective May 1, 2000. Notifications that are sent to parents will direct a parent who uses care during non-traditional hours to contact their case manager to obtain a new voucher.

INQUIRIES:

Please direct policy inquiries to Anne Webster or Pamela Evans. Please direct CCAMIS inquiries to Anne Webster. Anne Webster's telephone number is 410.767.7815 or you may e-mail her at awebster@dhr.state.md.us. Pamela Evans' telephone number is 410.767.7845 or you may e-mail her at pevans@dhr.state.md.us.

cc: DHR Executive Staff
FIA Management Staff
CCA Management Staff
CCA Office of Program Development Staff
Constituent Services
OIM Help Desk

Attachment A

Informal Child Care Maximum Subsidy Rates

Effective May, 2000

<i>Jurisdiction</i>	<i>Child Under 2</i>	<i>Child Over 2</i>
<i>Allegany</i>	247	211
<i>Anne Arundel</i>	223	171
<i>Baltimore County</i>	233	184
<i>Calvert</i>	237	208
<i>Caroline</i>	125	116
<i>Carroll</i>	287	207
<i>Cecil</i>	211	211
<i>Charles</i>	223	172
<i>Dorchester</i>	149	148
<i>Frederick</i>	247	231
<i>Garrett</i>	247	212
<i>Harford</i>	247	211
<i>Howard</i>	268	228
<i>Kent</i>	148	148
<i>Montgomery</i>	272	236
<i>Prince George's</i>	223	171
<i>Queen Anne's</i>	161	158
<i>St. Mary's</i>	247	211
<i>Somerset</i>	149	149
<i>Talbot</i>	161	139
<i>Washington</i>	212	212
<i>Wicomico</i>	126	126
<i>Worcester</i>	143	134
<i>Baltimore City</i>	196	161

Note: Bold indicates a change of the subsidy rate.

The Informal child care monthly service unit rates are based on three units of service per day. For two units multiply by 0.6667 and, one unit 0.3333.

Attachment B

07.04.06.12B

(2) Copayments for a Child 24 Months Old and Older in Family Care or Center Care:

(a) First (Youngest) Child in Care:

Copayment Level	Region U	Region V	Region W	Region X	Region Y	Region Z	Region BC
A	\$3	\$3	\$4	\$6	\$4	\$3	\$4
B	7	6	8	11	9	6	8
C	20	17	25	34	26	19	24
D	38	32	46	62	48	36	43
E	55	46	67	90	70	52	63
F	78	66	96	128	100	74	90
G	104	88	128	171	134	99	120
H	140	118	172	230	180	133	161
I	143	121	176	236	184	136	165
J	147	123	180	241	189	140	169

(b) Second and Third Children in Care:

Copayment Level	Region U	Region V	Region W	Region X	Region Y	Region Z	Region BC
A	\$3	\$3	\$4	\$6	\$4	\$3	\$4
B	7	6	8	11	9	6	8
C	17	14	21	28	22	16	20
D	27	23	34	45	35	26	31
E	44	37	55	73	57	42	51
F	58	49	71	95	74	55	67
G	80	67	98	132	103	76	92
H	106	89	130	174	136	101	122
I	109	92	134	180	140	104	126
J	113	95	138	185	145	107	130

(c) No Copayment is assessed for subsequent children in a family who are:

- (i) The oldest children in the family pursuant to Regulation .08A(3), and
- (ii) Receiving POC services: