

Child Care Assistance Payment Policy Change Frequently Asked Questions

In a continuing effort to align Child Care Assistance payment policies with South Dakota Child Care Provider business practices, the Department of Social Services (DSS) is making a payment policy change, resulting in a more stable payment, as it will no longer fluctuate based on the attendance of the child. Payments will be based on the Child Care Assistance certificate maximum authorized hours.

Policy Change Overview

Why is this policy change occurring?

DSS recognizes the importance of South Dakota's Child Care Providers as partners in the administration of the Child Care Assistance program. Based on provider input collected through various methods, including the Market Rate Survey and the 2022 Child Care Listening Sessions, efforts are being made to reduce barriers to Child Care Assistance participation by aligning payment policies with industry practices.

When is this policy change in effect?

This policy change is in effect with Child Care Assistance reimbursement requests for child care provided on or after January 1, 2024.

How will this policy change benefit me and families in my care?

A more stable payment will provide consistency for both the provider and the family and aligns with many provider's payment policies. It will also help providers and families anticipate any difference between the Child Care Assistance payment and the family's total child care bill.

What will be changing?

Providers will request the maximum hours authorized on the Child Care Assistance certificate.

Providers no longer need to track the daily 4-hour limit for children leaving care to attend Head Start or a School-District Preschool program. Providers no longer need to track the monthly 50-hour absent hour limit for children that are absent from their program.

What will remain the same?

The following will remain the same:

- Child Care Assistance will continue to reimburse at an hourly rate and limit the payment at the provider's established weekly rate.
- Providers must still maintain daily attendance records.
- Providers may still request reimbursement either online or by paper form.
- Billing periods, reimbursement request deadlines, and payment timelines remain unchanged.

Reporting Absences

When should I report an absence?

If a child is absent from the child care program for more than 10 consecutive business days:

- The provider must report the absence, regardless of the reason for the absence, and
- The provider must stop requesting payment for any billing period following the 10th absent day.

Any child care bill following the 10th absent day is the family's responsibility to pay.

How do you define a period of 10 consecutive business days?

Business days align with a child care program's days of operation. If a program is open Monday through Friday, the business days are Monday through Friday. If a program is open Monday through Saturday, the business days are Monday through Saturday.

What if a child has been absent for 10 consecutive business days but will be returning?

Even if a provider has contacted the family and discussed the child's planned returned date, the provider is still required to report when the child is absent for the period of 10 consecutive business days and must stop requesting payment for any billing periods following the 10th absent day.

What if the child is scheduled to attend sporadically over the period of 10 consecutive business days?

Regardless of the days the child is scheduled to attend, if the child does not attend over the period of 10 consecutive business days, the provider must report the absence.

Why do I need to report the absence?

Since providers are no longer requesting payment based on the attendance of the child, it is important for Child Care Services to evaluate the absence to prevent potential overpayments and ensure Child Care Assistance payments are disbursed appropriately on behalf of the family.

How should I report the absence?

When a child has been absent for more than 10 consecutive business days, the provider will report this information by emailing CCS@state.sd.us or calling our office at 1-800-227-3020.

Reporting Child Care Program Closures**Can I request reimbursement for days that I am closed?**

Yes. Providers will request the full authorized hours allowed for the reimbursement period, this will include days that a provider is temporarily closed such as holiday, sick, or personal days.

What if I am closed for an extended period of time?

If a provider is closed for more than 10 consecutive business days:

- The provider must report the closure, regardless of the reason for the closure, and
- The provider must stop requesting payment for any billing period following the 10th closure day.

Why do I need to report this closure?

Child Care Services pays the provider on behalf of a Child Care Assistance participating family. As a result, providers need to communicate such closures so that Child Care Services can ensure payments are disbursed appropriately on behalf of the family.

How should I report the closure?

When a provider has closed their child care program for more than 10 consecutive business days, the provider can report this information by emailing CCS@state.sd.us or calling our office at 1-800-227-3020.

Record Keeping**Do I still have to keep attendance records?**

Yes, attendance records are still required documentation for the Child Care Assistance payments.

What do I need to include on the attendance records?

As currently required, attendance records need to record the child's attendance at a child care program and include a daily signature by the parent. Please refer to the Provider Reimbursement Guide and Provider Agreement for complete information on attendance record requirements.

Why do I have to keep attendance records?

Keeping accurate records is important for child care providers and families.

A provider is paid on behalf of the Child Care Assistance participating family. If a family becomes ineligible to receive assistance, they could be responsible to repay benefits paid to the provider on their behalf. For this reason, it is important for the family to have the opportunity to review and sign agreement to their attendance records. Also, in the event a family disagrees with the payments a provider receives on their behalf, it is important that the provider has documentation, including the family signature, in agreement to the attendance of their child.

Requesting Reimbursement**How will I request reimbursement if I use the online payment request system?**

Effective with care provided for January 2024, the provider will request the full authorized hours allowed for the reimbursement period. If a provider uses the online payment request system, the authorized hours allowed for the billing period is shown on the screen. In this case, a provider will enter what is listed in the 'HR MAX' column into the 'HR ACT' column.

How will I request reimbursement if I use a paper request for payment form?

Starting with care provided for January 2024, the provider will request the full authorized hours allowed for the reimbursement period. If a provider uses a paper request for payment form, the provider will enter the full authorized hours from the certificate into the 'Total Hours Child Care Received' column. The full authorized hours can be entered regardless of the billing period requested; the system will continue to prorate the authorized hours based on the number of days in the billing period.

What if I am requesting payment for a month before January 2024?

If a provider requests payment for care provided before January 2024, the provider will request reimbursement per the policies in effect during that timeframe.