

CHILD CARE PROVIDER REIMBURSEMENT GUIDE

**for
Licensed, Registered,
and In-Process Providers**

South Dakota Department of Social Services
Division of Child Care Services
910 East Sioux Avenue
Pierre, SD 57501
Phone: 1-800-227-3020
Email: CCS@state.sd.us
Website: www.dss.sd.gov/childcare

CHILD CARE PROVIDER REIMBURSEMENT GUIDE

**for
Licensed, Registered,
and In-Process Providers**

Updated September 2013

Division of Child Care Services

The Division of Child Care Services provides assistance to low income families who need help with child care costs while parents work or attend school. They also provide oversight, technical assistance and support in promoting safe, healthy and caring environments for children through licensing, registration and quality improvement activities. The availability of quality child care is not only important for maintaining a strong workforce; it is vital for the healthy growth and development of children.

The Division of Child Care Services provides:

- Child care assistance for families who need help in paying their child care costs
- Licensing and registration of child care programs
- Child Care facility development in response to local community needs
- Regional Early Childhood Enrichment training delivery system for child care providers
- Specialized training and technical assistance for Out-of-School-Time programs
- Pathways to Professional Development Program
- Reach Out & Read (ROR) early childhood literacy program
- Child Safety Seat Distribution Program

To learn more about any of the programs mentioned above, contact the Division of Child Care Services at 1-800-227-3020.

Table of Contents

Introduction	1
Provider Eligibility Forms.....	2
Reimbursement Rates and Provider Rates	3
Required Sign-in/Sign-out Attendance Records.....	4
Family Eligibility Process.....	5-6
Child Certificate Example.....	7-8
What can and cannot be reimbursed	9
Non-Care Hours Policies	
Absent Day Policy	10
Head Start/Preschool Policy	11
Frequently Asked Questions	12
Requesting Reimbursement	13-14
Request for Payment Form Example	15-16
Monthly Pre-print Example.....	17
Online Payment Request Example	17
Request for Payment Processing	
Pro-rating allowable hours.....	18-19
Weekly Rate Cap.....	20
Family Copayment	21
Child Care Assistance Audits and Fraud.....	22
Misc. Frequently Asked Questions	23-24
Child Care Services Office Closure Dates	25

Introduction

Funding made available to South Dakota, through the Child Care & Development Block grant, helps qualifying families pay for their child care while they work, attend school or a combination of both.

In order to qualify for Child Care Assistance (CCA), a family must meet certain program eligibility requirements. For example, each parent must be working and/or attending school a minimum of 80 hours per month and have a gross income which falls below 175% of the Federal Poverty Level (FPL). Depending on household size and income, the family may be responsible for a portion of the Child Care Assistance; this portion is referred to as the copayment.

Child Care Assistance Reimbursements are paid directly to the child care provider, at an hourly rate, depending on the number of hours of care provided for a child while the family is working and/attending school. The provider is required to maintain sign-in and sign-out attendance records, completed and signed daily by the family, which are used to determine the number of care hours provided. The care hours are reported to Child Care Services through a Request for Payment form, and the provider reimbursement payment is processed.

The following guide will provide you with the information you need to receive reimbursement from the Child Care Assistance program. The guide is also available on our website at the following web address: dss.sd.gov/childcare/subsidyprogram

We do make changes to the guide on a regular basis, so we suggest that you occasionally review online to ensure you are using the most current guide. You may also request an updated guide by phoning Child Care Services directly.

Please contact the Child Care Services Office if you have any questions about the Child Care Assistance Program—we are here to help you!

Provider Eligibility Forms

In order to qualify as an eligible provider to receive/continue to receive Child Care Assistance, a provider must complete the following paperwork. When you first begin participating in the Child Care Assistance Program, the forms will be included in your initial mailing.

1. Rate Declaration Form: (complete each time you change your rates)

Child Care Services (CCS) collects provider rate information from each provider requesting payment through the Child Care Assistance program. Provider rate information is used by the Caseworker to select the appropriate reimbursement rate to ensure that a provider is not overpaid through the Child Care Assistance program.

2. Provider Agreement: (complete for each federal fiscal year)

The Provider Agreement serves to ensure all parties agree and understand the policies and procedures governing the South Dakota Child Care Assistance/Subsidy program. The Provider Agreement is sent to participating providers each year. Each time that you sign a Provider Agreement, make sure to keep your copy accessible for future reference. Failure to comply with all terms and conditions of the agreement may result in ineligibility to receive child care subsidy funds.

3. W-9 Form: (complete for initial payment, and as needed)

Before CCS can make a payment to you, you must complete and return a Form W-9 Request for Taxpayer Identification Number and Certification.

4. Payment authorization form (complete for initial payment, and as needed)

This form will provide CCS will information about where you would like your payment deposited.

Reimbursement Rates and Provider Rates

How does CCS determine the reimbursement rates?

Every two years, CCS conducts a survey to find out what South Dakota providers are charging for their services. The questionnaire is sent to every registered and licensed child care provider. If you receive a survey, it is very important for you to fill it out and return it. The information provided is used to set the hourly reimbursement rates.

How to receive a copy of the reimbursement rates

You will receive a copy of the current reimbursement rates when you first begin participating in the Child Care Assistance Program. The reimbursement rates are also available on our website (dss.sd.gov/childcare). If you prefer, you may phone our office to receive a copy by mail.

Why does Child Care Services need to know a Provider's rates?

CCS collects provider rate information from each provider requesting payment through the Child Care Assistance program. This information is collected to comply with Federal and State program requirements. CCS must ensure that Federal subsidy funds do not pay more for services than is charged to the general public for the same service. In addition, ARSD 67:47:01:15 states that the unit price billed for the child care services provided must be the provider's usual and customary charge for the same services provided on the same date to the general public.

In order to comply with these Federal and State requirements, a provider cannot charge a higher rate for a child using Child Care Assistance than would normally be charged to a private-pay family. Provider rate information is also used by the Caseworker to select the appropriate reimbursement rate.

Complete a Rate Declaration Notice, each time you update your rates

Complete a Rate Declaration Notice each time you update the rates you charge families in your care. This will ensure the Caseworker has access to the most up-to-date rate information for you while processing a Child Care Certificate.

The Rate Declaration Notice is available on our website (dss.sd.gov/childcare) and by mail, if requested.

Special CCS reimbursement rates available to Providers

A Provider serving a child with special needs may need to make special accommodations. CCS does offer a higher rate for children with special needs to help offset any additional costs. CCS will make the final determination if the higher rate can be allowed. In order to determine this, the family must provide medical documentation of the child's condition, a written request that the special needs rate be allowed, and the provider must complete and submit a questionnaire relating to the enhanced services being provided to the child. Contact CCS for more information.

A higher rate is also available to Family Child Care Providers registered as caring for 6 or fewer children. The rate is available for children in care under age 3.

A weekly rate is paid to providers who participate in the optional TANF Reimbursement Program. If you provide full-time care for a family participating in TANF and charge a weekly rate, please contact CCS to discuss participation in this voluntary program.

Required Sign-in/Sign-out Attendance Records

Providers are **required** to maintain sign-in/sign-out attendance records for children who receive Child Care Assistance. In order to ensure that your sign-in/sign-out attendance records comply with the requirements of the Child Care Assistance Program, the **parent, or person designated by the parent(s), must complete and sign the attendance record daily.**

As an alternative, there are child care software programs available for child care providers where parents sign-in and sign-out via computer each day. Reports from these systems meet program requirements as long as parents are signing-in and signing-out of the computer system with their own secure code.

If you request payment for hours covered under Absent Day, Head Start or Preschool policy, you must document these hours clearly on your attendance records. *(See pages 10-12 for information on these policies)*

Providers are required to maintain all attendance and billing records for a period of at least four (4) years.

When you first begin participating in the Child Care Assistance Program, we will include sample attendance records with this guide. Sample attendance records are also available on our website (dss.sd.gov/childcare). A form of your own design is permitted but must include a space for a **daily** parent/guardian signature.

Why does Child Care Services (CCS) require attendance records?

Keeping accurate records is important for you and the families served. Proper attendance records ensure agreement on the hours of attendance between you and the parent, and support your reimbursement requests to CCS.

CCS reimburses you on behalf of the CCA participating family. If a family becomes ineligible to receive assistance, they could be responsible to repay benefits paid on their behalf to you. For this reason, it is important for the parent/guardian to have the opportunity to review and sign agreement to the times listed on the attendance records each day.

Furthermore, if you are selected for an audit, you will be asked to provide your attendance records. The records will be reviewed in comparison to your payment requests and CCS program policy. Clear and accurate records are important to ensure that you are in compliance with program requirements. Without proper attendance records, you will not be able to support your payment requests to CCS. As a result, you may be responsible to repay reimbursements paid to you.

Family Eligibility Process

A family applies for Child Care Assistance (CCA)

There are several ways for a family to apply for Child Care Assistance.

- Pick up an application at any Department of Social Services local office
- Pick up an application at any Department of Labor and Regulation local office
- Request an application by calling Child Care Services (CCS) at 1-800-227-3020
- Request an application by emailing CCS at: CCS@state.sd.us
- Download an application or apply on-line by visiting the CCS website: dss.sd.gov/childcare

A Child Care Services (CCS) Caseworker determines family eligibility

CCS Caseworkers process applications within ten working days after receiving a completed application. An application received between the 1st—15th will have a start date of the 1st; an application received on or after the 16th will have a start date of the 16th.

If an incomplete application is received, the Caseworker will inform the family as to what is needed to complete the application process. Please note that an incomplete application will delay the processing time.

You may contact CCS to find out the status of an application. CCS will be able to provide you with limited information, unless the family has completed a Release of Information form, giving CCS permission to disclose additional information to you.

The amount of assistance is determined based on the number of hours the family is working or in school, plus supplemental time for travel. Depending on household size and income, the family may be responsible for a portion of the Child Care Assistance; this portion is referred to as the copayment. *(See page 21 for more information on family copayments)*

A Child Care Certificate is issued to the family and provider

Once a CCS Caseworker determines that a family is eligible for Child Care Assistance, the family and provider will each receive a copy of the Child Care Certificate in the mail; if we have your email on file, you will also receive an email copy. *(See page 7-8 to view a certificate example)*

The Child Care Certificate is proof to you that the family is eligible for assistance. You will need the information on this certificate to request payment for the child(ren).

Child Care Services cannot issue a reimbursement payment to a provider until the family is eligible for the program. The family is ultimately responsible for payment until you receive a certificate notifying you the family is approved.

Family Eligibility Process continued

A Child Care Certificate expiration and closure notice will be sent

Approximately six weeks before the end date of the certificate, a certificate expiration notice will be mailed to the family and provider as a reminder for the family to re-apply for continued assistance.

If the family does not re-apply in time or is no longer program eligible, their certificate will close. The provider will receive a closure notice. If CCS has your email on file, you will receive these notices by email only.

Please note that CCS does not send notification if an application is denied. If you have any questions about the status of a family's application, please call our office.

Family Reporting Responsibilities while on Child Care Assistance

In order to remain eligible to receive Child Care Assistance, a family must follow several guidelines, including the need to report changes to their Caseworker.

According to Administrative Rules of South Dakota 67:47:01:18, a household must report any change of circumstances which may affect its eligibility for Child Care Assistance in writing to Child Care Services; this includes: any change in employment, household members, marital or school status, or provider.

For convenience, a yellow Change in Status Reporting Form is enclosed with each certificate a family receives. The form is also available on our website or by mail, if requested. This form is designed to help families properly report changes. Changes can be reported in any written format that is convenient for the family.

Failure to provide changes to Child Care Services could result in the closure of a Child Care Certificate and an over-issuance to the family. The family would be responsible to repay reimbursement payments made to the provider while the family was ineligible.

Please continue to encourage families to report any changes in circumstance which may affect their eligibility; and if you suspect that a family is abusing their assistance, please contact Child Care Services to report the information.

Continued Assistance following job loss or birth of child

If a current recipient of Child Care Assistance suffers a loss of employment, 30 days of continued assistance can be granted from the last day of employment. The loss of employment must be reported within 10 working days. The certificate will close after 30 days if the recipient has not provided required follow-up information by the end of the 30 days. This continued assistance may also be available if a current recipient begins maternity leave due to the birth of a child.

Child Care Certificate Example

Once a CCS Caseworker determines that a family is eligible for Child Care Assistance, the family and provider will each receive a copy of the Child Care Certificate in the mail. The Child Care Certificate is proof to you that the family is eligible for assistance, and has the information you will need to request payment.

(A) - **Your provider number**

You will use your state issued nine-digit provider number (located on your Child Care License or Registration) to identify yourself when you complete your Request for Payment or contact Child Care Services.

(B) - **The certificate number**

The certificate number links the assistance to the correct family, provider and time period. This number will change with each certificate issued for the family, so it is very important that you enter the correct certificate number on your Request for Payment.

(C) - **Eligibility Dates**

The family is eligible for Child Care Assistance during this timeframe. You can request payment up to 60 days past the end date of the certificate.

(D) - **Child Identification Numbers**

Each child is identified by their own unique identification number. This number will always remain the same even if the child is not continually receiving Child Care Assistance.

(E) - **Maximum Monthly Hours**

This is the maximum monthly hours that CCS determined are eligible for Child Care Assistance based on the family work/school activity. Typically, supplemental hours are included in this total to cover travel time, etc. The child may attend child care for more time than the maximum monthly hours, but the family is responsible for covering that cost.

(F) - **Hourly Rate**

This is the hourly rate per hour you will be paid for the child. The rate may differ depending on the age of the child. If you charge an hourly rate to families in your care, the rate will be the lessor of your rate or the CCS reimbursement rate. If you charge a daily or weekly rate to families in your care, the rate will be the CCS reimbursement rate. Reimbursement payments will not exceed your weekly rate.

(G) - **Family Co-Payment Amount**

This is the portion of Child Care Assistance the family is responsible to pay you toward their child care bill. The copayment will be automatically subtracted from your payment.

(H) - **Payment Maximum**

The payment maximum is not guaranteed and will vary depending on the actual hours of care the child attends, as well as your payment rates.

Child Care Certificate Example

CHILD CARE CERTIFICATE

South Dakota Department of Social Services

Division of Child Care Services

CHILD CARE CERTIFICATE (CCC)

A

Date

07/01/12

Provider Number

444444444

Provider Name

123 Main St

Anywhere, SD 50000-0000

Dear Provider:

Parent Doe has been approved to receive child care benefits through the Division of Child Care Services (CCS). You are listed as the child care provider. Keep this certificate for your records as you will need this information to request payment.

B

C

For billing purposes the certificate number for this family is 888888888 effective 7/1/12 to 12/31/12.

This assistance is being provided for the following children:

Child ID Number

Name of Child

Max Monthly Hours

Hourly Rate

123456789

Jamie Doe

200.00

2.10

234567890

Johnny Doe

200.00

2.00

G

The co-payment, or amount the family is responsible to pay you is \$50 twice a month or a total of \$100 once a month. Regardless of the co-payment, the assistance may not cover the entire child care bill. The family is responsible for any child care costs which exceed the monthly assistance amount.

H

The maximum amount Child Care Services can pay you, the provider is \$ 720 a month depending on the number of actual hours the child(ren) are in your care while the family is working and/or attending school and the type of payment rate you have established.

The max monthly hours are pro-rated by the number of days in the billing period and also pro-rated based on length of certificate.

What can and cannot be reimbursed

The following are reimbursable through Child Care Assistance (CCA):

Actual hours of care provided while the eligible family is working/attending school

These hours will be recorded and signed by the family each day on the sign-in/sign-out attendance records. Note that these hours are 'actual' not 'scheduled' hours of attendance. The family is responsible for any payment not covered by Child Care Assistance, including care provided while parent is not working/attending school.

In some cases, a provider may request payment for care provided while the parent is on maternity leave or has suffered a job loss; however, the family must report this change to Child Care Services (CCS) in order for this to be allowable. *(See page 6 for more information on these policies).*

Time provider transports a child

CCS considers the child in your care when you are transporting him/her.

Non-care hours covered under the Head Start, School-District Preschool, and Absent Day Policies

You must meet the requirements of these policies in order to request payment for non-care hours. *(see pages 10-12)* The child care provider documents the hours on the sign-in/sign-out attendance records.

The following are NOT reimbursable through Child Care Assistance:

Hours when the child care program is closed

If your child care program is closed, you may not request payment for those hours. The family is responsible to pay for these hours/days.

Scheduled hours instead of actual hours

You may only request reimbursement for actual care hours and allowable non-care hours covered under the Head Start, School-District Preschool, and Absent Day policies.

Additional fees charged by your child care program

This includes additional fees, such as transportation, meal, or enrollment fees.

Non-Care Hours Policies - Absent Day Policy

Child Care Assistance is designed to increase the affordability of child care by supporting families while they are working or in school. In order to provide further support, Child Care Services (CCS) allows providers to request reimbursement for certain non-care hours according to the Administrative Rule of South Dakota 67:47:01:10.

Absent Day Non-Care Policy

There may be an occasion when a child is not able to attend the child care program, yet the family is still responsible to pay for this time. In order to provide additional support toward the family's child care bill for these occasional absences, the provider may request payment for up to 36 hours per month when a child is absent from the child care program.

According to the Administrative Rule of South Dakota 67:47:01:10

...'If a child is not in care because the child is ill or on vacation or because the child's parent failed to report an absence, the department may reimburse the child care provider for a maximum of 36 hours a month, for the time the child is not in care. (*Absent Day Policy*)

Absent Hours Policy Requirements

- Absent hours can only be requested if you normally charge a private-pay family for the absence. If you do not charge a private-pay family for the time they are absent, you cannot request payment from CCS.
- You must be open during the hours you are requesting payment. CCS cannot reimburse a provider for days/hours that a program is closed.
- Absent hours are to be used for occasional absences (ill, vacation, unreported absence).
- Absent hours can only be requested for the number of hours a child is normally in care.
- In order to support your payment request, you must document the absent hours on the sign-in/sign-out attendance records. To ensure reimbursement for absent hours, it is important to properly document on the records by writing each date, reason for use, and number of absent hours you are requesting for payment for that day.
- Unused absent hours cannot be carried over to the next month.
- You cannot automatically request payment for absent hours in order to reach the maximum allowed hours on the certificate.

Non-Care Hours Policies - Head Start /Preschool Policy

The Head Start/Preschool Non-Care Policy was designed to further support and encourage families that take advantage of Head Start and school-district preschool programs. Providers may request payment for up to 4 hours a day while a child is attending an approved Head Start program or a preschool program operated by a school district.

According to the Administrative Rule of South Dakota 67:47:01:10

...'If a child is not in care because the child is attending Head Start or a preschool operated by or under contract with a school district, the department may reimburse the child care provider up to four hours a day for the time the child is not in care...' (*Head Start/Preschool Policy*)

The child must be attending Head Start OR a preschool program operated by a school district.

- This policy does not apply to children attending regular pre-school, pre-kindergarten, grade school, or any program other than approved Head Start/school-district pre-school programs.
- The family must report on their application that the child will be attending Head Start/school-district preschool program. You may contact CCS in order to find out if the family has reported this information.

Head Start/Preschool Policy Requirements

- Head Start/Preschool hours can only be requested if you would charge a family for the absence. If you do not charge the family for the time they are absent, you cannot request payment from CCS.
- Head Start/Preschool hours can only be requested up to a maximum of four hours a day while the child is attending an approved Head Start/school-district pre-school program.
- This policy only applies if the child would normally be in your care if he/she was not attending the Head Start or school-district pre-school program.
- You must be open during the hours you are requesting payment. CCS cannot reimburse a provider for days/hours that a program is closed.
- In order to support your payment request, you must document non-care hours on the sign-in/sign-out attendance records. To ensure reimbursement for Head Start/Preschool hours, it is important to properly document on the records by writing each date and number of hours you are requesting for payment for that day.
- Unused non-care hours cannot be carried over to the next month.
- The Head Start/Preschool Non-Care Policies cannot be used for any purpose other than for time a child was absent from care due to attending a Head Start or authorized preschool program.
- You cannot automatically request payment for Head Start/Preschool hours in order to reach the maximum allowed hours on the certificate.

Non-Care Hours Policy: Frequently Asked Questions

Q. I do not usually charge my families for days they are gone. May I still request payment under the Absent Day or Head Start/School District Preschool Policy?

A. No. If you allow a child to be gone without charge, you cannot request payment for those hours.

Q. What if I care for a child who becomes ill and the parent picks him up early? May I request payment under the Absent Day Policy?

A. Yes. You may request payment for the remaining hours that the child would normally be in your care.

Q. If I usually care for a child for 4 hours a day, and the child is absent, how many hours can I request payment for under the Absent Day policy?

A. You may only request payment for the hours the child is normally in care; in this case, 4 hours.

Q. My child care is closed for some holidays, but the family is still responsible to pay me for those days. May I request payment under the Absent Day?

A. No. You may only request payment for those hours your child care is open for business.

Q. If a family pays for a scheduled slot for care Monday through Friday 8:00 am to 6:00 pm, but the child usually leaves my care at about 4:00 pm each day, can I use absent hours to fill in the time from 4:00—6:00 pm?

A. No. If the child regularly leaves at 4:00 pm, you cannot claim 2 hours absent up to 6:00 pm. Absent hours are for occasional absences (ill, vacation, unreported absence) and can only be requested for the hours the child is normally in your care.

Q. How can I use absent hours if a child does not have a consistent schedule?

A. Absent hour use may not be possible with every program or child, depending on the situation. It is important to work closely with the family regarding their weekly schedule to ensure proper use of absent day hours.

Generally, if you can answer yes to the following questions, you can most likely request reimbursement under the Absent Day (or Head Start/School District Preschool) policies: Was my program open during the hours I want to request payment for non-care hours? Am I charging the family for the hours I am requesting? Was the child scheduled to be in my care? Is this an occasional absence (ill, vacation, unreported absence)?

You can always call CCS to help you make a reasonable decision, and remember to document the non-care hours on your attendance records.

Q. I require a two-week notice before families leave my child care. A family does not have to attend during the final two-weeks, but is still responsible for payment. If the family does not attend, can I request payment under the Absent Day policy?

A. If the family is not in care, and you are charging the family for the final two weeks, it will be considered an absence. As long as the certificate hours are still available, you may request payment for time the child is normally in your care, not to exceed the maximum 36 hours per month.

Requesting Reimbursement

In order to receive reimbursement for allowable care hours, you must request payment from Child Care Services (CCS).

CCS offers three different methods to request payment.

1. Request for Payment Form: *(see page 15-16 for an example)*

The Request for Payment forms are available directly from Child Care Services or on the website. (dss.sd.gov/childcare/subsidyprogram) Information about each child must be entered on the form, and the form is signed and mailed to CCS. A faxed form cannot be accepted. A provider can bill once or twice a month with this form.

2. Monthly Pre-print Invoice of Service Form: *(see page 17 for an example)*

This computer generated form is mailed to the provider on the second working day of each month. Information about each child is pre-printed on the form; provider enters the total care hours for the billing period, signs, dates and mails to CCS. A faxed form cannot be accepted. A provider can bill once a month with this form. Contact CCS to be signed up.

3. Online Payment Request: *(see page 17 for an example)*

A provider uses his/her provider identification number and pin number (provided by CCS) to enter an online billing website. Information about each child is already on the screen; provider must enter total care hours for billing period. A provider can bill once or twice per month with this method. Contact CCS to be signed up.

The CCS payment system runs each Monday night, including Holidays.

If CCS is closed on a Monday holiday, the payment system will still run for payment requests already entered in the system. However, staff will not be in the office to receive mail and enter requests on that day. For a list of days that CCS is closed, see page 25 of this guide. If you request payment online, you must enter your payment request by 6:00 pm Central Standard Time on Monday in order for it to run through the payment system that night.

A provider may request payment once per month or twice per month.

Once per month: 1st day through last day of the month.

Twice per month: 1st day through 15th day and 16th day through last day of the month.

A provider can only request payment AFTER care is provided.

You cannot request payment in advance for anticipated hours of care. If a family is no longer in care with you, or if a certificate ends early, you can request payment early for that family. You will need to include a note with your payment request explaining why you are billing early. Otherwise, the payment request will be returned to you.

Requesting Reimbursement continued

A provider can request payment up to 60 days past closed certificate.

Payment requests past 60 days will not be processed.

Following payment, a Remittance Advice will be mailed to provider.

If CCS has your email on file, you will receive this notice by email only. The notice will provide detail about your payment. A copy of the notice will also be sent to the family.

How will you be paid?

Providers receive their payment reimbursement electronically through direct deposit or U.S. Bank Reliacard (available to Family Child Care providers only).

When will you be paid?

According to the Administrative Rules of South Dakota 67:47:01:16, payment shall be made within 15 working days following receipt of a complete payment request. Generally, the reimbursement payment is available within two to three business days after payment is processed. You may call our toll-free number anytime to hear information about your most recent payment.

Tax information

Child care providers who receive \$600 or more in payment from Child Care Services (CCS) will be mailed a 1099 Miscellaneous Tax Form by January 31st of each year. The form summarizes all payments the provider received from CCS in that year.

If you make a mistake on your payment request

If you make an error on your payment request, please contact CCS right away. Staff can let you know what you will need to do to correct the error.

Complete payment requests are important

Please take the time to make sure that you enter the correct information on your payment requests including certificate numbers, child id numbers, etc. Payment requests that are not complete, or that have incorrect information will either be sent back to you for corrections, or corrected by staff when time permits. An incomplete or incorrect payment request could delay payment to you.

Perjury Statement

Each Request for Payment Form requires your signature. By signing the form, you are declaring and affirming under the penalties of perjury that the claim form has been examined by you and to the best of your knowledge and belief is in all things true and correct.

Request for Payment Form Example

Follow the instructions below to complete a Request for Payment Form. You will need the Child Care Certificate to complete the form.

(A) - Provider Name

This is the name that is on your child care license or registration; either your name, or the name of your child care center. (example: Mary Smith, or Kidz Daycare).

(B) - Provider Number

Enter your state issued nine-digit provider number (located on your Child Care License or Registration).

(C) - Provider Address

Enter your complete mailing address or the address of your child care facility.

(D) - Billing Period

Check the box of the appropriate time period. You can only request payment for one time period per form. If you are billing for different time periods, you will need to use separate forms.

(E) - Month and Year

Fill in the month and year for the time period you want to request payment. (**Example:** It is now August 10th, but you are billing for the last part of July, the month you would use would be July.)

(F) - Child Name

List the full name of the child. If there is more than one child on a certificate, list them on separate lines. If you request payment from more than one certificate, please skip a line between certificates.

(G) - Child Care Certificate (CCC) Number

The certificate number links the assistance to the correct family, provider and time period. This number will change with each certificate issued for the family, so it is very important that you enter the correct certificate number on your Request for Payment. Double-check to make sure the certificate is valid for the time period you are requesting payment.

(H) - Child Identification Number

Each child is identified by their own unique identification number. This number will always remain the same even if the child is not continually receiving Child Care Assistance.

(I) - Total Hours Child Care Received

List the total number of allowable care hours for the time period.

(J) - Provider Signature: Sign your name.

(K) - Date: Write in the date that you complete the form.

Request for Payment Form Example

CHILD CARE SERVICES REQUEST FOR PAYMENT

DEPT OF SOCIAL SERVICES

CLEARLY PRINT ALL INFORMATION INCLUDING COMPLETE ADDRESS

PROVIDER NAME: <i>Jane Doe</i>	A	PROVIDER NUMBER: 444444444	B
PROVIDER ADDRESS: <i>123 Main St, Anywhere, SD 50000</i>		C	

BILLING INFORMATION

Request for Payment forms can be submitted for the following time periods: the 1st through the 15th of the month, the 16th through the 31st, or the 1st through the 31st. Please check ONE box.

THIS BILL IS FOR (check one) 1st DAY OF THE MONTH THROUGH THE 15TH
 16TH DAY OF THE MONTH THROUGH THE 31ST
 1ST DAY OF THE MONTH THROUGH THE 31ST

D

All billing information can be found on the child care certificate you received in the mail. If there are multiple children per certificate, please group families together.

IMPORTANT: Please leave a space between each grouping of claims (multiple families or certificates).

NOTE: Child Care Services will calculate the correct payment, based on the number of hours you record for each child.

To prevent delay, complete each box by following the example provided.

OFFICE USE ONLY CLAIM #	MONTH AND YEAR	CHILD NAME	CHILD CARE CERTIFICATE (CCC) NUMBER	CHILD ID NUMBER	TOTAL HOURS CHILD CARE RECEIVED
EXAMPLE	MARCH 13	Joe Smith	888888888	123456789	45
	MARCH 13	Jane Smith	888888888	234567890	45
	E	F	G	H	I

I declare and affirm under penalties of perjury that this claim has been examined by me and to the best of my knowledge and belief is in all things true and correct. I further agree to comply with the provisions of the Civil Rights Act of 1964 and regulations there under relating to non-discrimination in Federally assisted programs.

PROVIDER SIGNATURE

J

DATE

K

CCS cannot accept this form by fax!
PLEASE SIGN AND MAIL TO: CHILD CARE SERVICES
910 E. SIOUX AVENUE—PIERRE-SD-57501

Monthly Pre-Print and Online Payment Request Examples

Directly below is an example of a Monthly Pre-print Invoice of Service Form and the Online Payment Request Entry Screen. Notice that for both options the child name, certificate number, child identification number, eligibility date, and maximum allowed hours is already populated. In order to complete the payment request, enter the total care hours (highlighted in grey below) and complete the rest of the form/online submission.

CHILD CARE SERVICES PROVIDER INVOICE OF SERVICES EXAMPLE									
PROVIDER INFORMATION				CONTROL NUMBER		DATE			
BEST DAY CARE 123 FIRST STREET ANYWHERE, SD 50000-0000						10/01/2012			
						SERVICE CODE			
PROVIDER NO	SERVICE DATES			HOURS					
000000000	FROM 09/01/12 TO 9/30/12			00702					
CLIENT NAME	CERT NO	CHILD ID	ELIG. DATES	MAX	ACTUAL	RATE	CO-PAY	AMOUNT	
1 Doe, Jamie	888888888	123456789	09/01—09/30	200		2.75	100.00		
2 Doe, Jane	888888888	456789123	09/01—09/30	135		2.50	0.00		

I declare and affirm under the penalties of perjury that this claim has been examined by me and to the best of my knowledge and belief is in all things true and correct. I further agree to comply with the provisions of the Civil Rights Act of 1964 and regulation issued there under relating to non-discrimination in Federally assisted programs.

Signature Date

ONLINE PAYMENT REQUEST ENTRY SCREEN

Please pay attention to the Fr Date and To Date for each line. Claims can be entered for each billing cycle the day after the billing cycle ends. Encoding errors may delay payment.

LAST NAME	FIRST NAME	CERT NUM	CHILD ID	FR DTE	TO DTE	HR MAX	HR ACT
Doe	Jamie	999999999	123456789	09/01	09/30	200.00	
Doe	Jane	999999999	456789123	09/01	09/30	135.00	

I declare and affirm under the penalties of perjury that this claim has been examined by me and to the best of my knowledge and belief is in all things true and correct. I further agree to comply with the provisions of the Civil Rights Act of 1964 and regulations issued there under relating to non-discrimination in Federally assisted programs.

Save Invoice

Request for Payment Processing - Pro-rating allowable hours

The computer system that processes the Payment Requests is designed to process payments as efficiently as possible, while preventing system overpayments to providers. There are a couple of methods used by the computer system that may affect a reimbursement payment that you receive.

1. Allowable certificate hours are pro-rated by the number of days in the billing period.
2. Provider reimbursement payments do not exceed the provider's weekly rate for the billing period.
3. The provider reimbursement payment is reduced by the family copayment.

1. Allowable certificate hours are pro-rated by the number of days in the billing period

Why does this happen?

The computer system pro-rates the maximum allowable certificate hours to ensure that a family's assistance is distributed and available as evenly as possible over each billing period in the month.

Who will this affect?

This pro-rating can affect providers that request payment twice per month. It can also affect providers if the end date of the certificate falls within a billing period.

How can this affect a payment reimbursement?

The system will only allow payment for a certain number of pro-rated hours for the billing period. If you enter more hours than the system allows, the system will adjust the hours you enter to not exceed the pro-rated total.

How does this work?

The number of days in the billing period differ depending on the number of days in the month. The number of days in the first billing period is always 15. The number of days in the second billing period varies. See directly below for an example.

	<u>1-15 billing period</u>	<u>16-end billing period</u>
28 day month	15 days	13 days
30 day month	15 days	15 days
31 day month	15 days	16 days

Request for Payment Processing - Pro-rating allowable hours

In order to figure out what the system will allow for the billing period, apply the following formula depending on the number of days in the month.

	<u>1-15 billing period</u>	<u>16-end billing period</u>
28 day month	54% x total cert hours	46% x total cert hours
30 day month	50% x total cert hours	50% x total cert hours
31 day month	48.3% x total cert hours	51.7% x total cert hours

Example:

The total allowable certificate hours is 190. You want to request payment twice per month for a 31-day month. Use the following formula:

	<u>1-15 billing period</u>	<u>16-31 billing period</u>
31 day month	48.3% x 190 = 91 hours available	51.7% x 190 = 98 hours available

What options are available to make pro-rating easier to plan for and calculate?

Pro-rating, generally, does not affect providers that request payment once per month. You may choose to submit a Request for Payment Form once per month or request to receive the Monthly Pre-Print Invoice of Service Form.

If you would like to request payment twice per month, using the online payment request system may be helpful for you. The system will calculate and list the pro-rated hours available to you on the screen. If you choose to use Request for Payment Forms and request payment twice per month, you can calculate the remaining hours available for the month by reviewing your Remittance Advice Notice for the first billing period of the month; subtract the hours paid from the total hours on the certificate for the entire month.

What if the family uses more hours (than pro-rated hours available) in the first billing period and not as many in the second billing period?

You may request payment during the second billing period for the additional care hours from the first billing period.

Example:

The total allowable certificate hours is 190. You want to request payment twice per month for a 31-day month. Due to pro-rating, you may request payment for 91 hours for the first billing period and 98 hours for the second billing period.

During the first billing period, a child attends 100 hours. The system will only allow reimbursement for 91 hours. That leaves a difference of 9 care hours unpaid from the first billing period.

During the second billing period, the child attends 80 hours. You may include the 9 unpaid care hours from the first billing period, and request payment for 89 hours.

Request for Payment Processing - Weekly rate cap

Provider reimbursement payments do not exceed the provider's weekly rate for the billing period

Why does this happen?

The payment system will adjust payment reimbursements accordingly in order to prevent an overpayment to a provider.

Who will this affect?

This can affect a provider that charges families in care with a daily, weekly, quarterly, etc. rate. This does not affect providers that charge families in care with an hourly rate.

How can this affect a payment reimbursement?

If you request payment and the total payment exceeds your weekly rate for the billing period, the system will cap the payment to match your weekly rate for the billing period.

How does this work?

Based on the rate used by the provider, the payment system calculates the maximum payment based on working days in the billing period.

For example:

A provider charges a rate of \$110 per week. The provider is requesting payment for the first billing period in a month. There are 11 working days in the first billing period. (Note: working days are counted using Monday - Friday only.)

$\$110 \text{ per week} / 5 \text{ working days per week} = \$22 \text{ per day} \times 11 \text{ working days} = \text{\$242 payment cap}$

The provider requests payment for a child that attends 85 hours during the first billing period.

$85 \text{ hours} \times \$3.00 \text{ (CCS reimbursement rate)} = \$255 \text{ reimbursement total}$

\$255 reimbursement total exceeds the payment cap of \$242 for the billing period

Therefore, provider will be reimbursed **\$242** for the child.

Request for Payment Processing - Family Copayment

The provider reimbursement payment is reduced by the family copayment

An eligible family may be responsible for a portion of the Child Care Assistance; this portion is referred to as the **copayment**. Basically, the copayment is a 'cost-share' of the total assistance between Child Care Services (CCS) and the family. If the assistance paid by CCS, and the family copayment, does not cover the family's total child care bill, the family is responsible to pay the remaining balance of the child care bill.

The copayment amount is calculated based on the household size and income of the family. A change to the family's household size or income can result in a change to the copayment amount on the next Child Care Certificate. If a family is using more than one provider for the same child(ren), the copayment will apply to the certificate with the highest child care need.

The Child Care Certificate will list the copayment for the family. (*See example certificate on page 8*) You are responsible to collect the copayment from the family. You can choose how you would like to receive this from the family: once per month, twice per month, etc.

The copayment will be automatically subtracted from your reimbursement payment.

- If you request payment once per month, the entire copayment will be subtracted from your reimbursement.
- If you request payment twice per month, half of the copayment will be subtracted from your reimbursement.

If you request payment, but the family copayment is more than the assistance total, your reimbursement payment will be \$0.

- The family will be responsible for the child care bill. You can request payment even though you may anticipate a \$0 reimbursement payment. Doing so will allow you or CCS to provide proof that you did request reimbursement, should a family ask.

The copayment is not pro-rated by the number of days in the billing period.

- If a family has a copayment of \$100 a month, the copayment will remain the same even though the month has more or less billing days than the previous month. It will remain the same as well if the certificate ends early.

What should you do if the family will not pay the copayment?

- CCS can sanction families who refuse to pay their copayment. Please provide a detailed explanation to CCS including: billing period of non-payment, hours of care provided, copayment due, and any payments the family has made to you. In order for a family to continue receiving Child Care Assistance, the family must pay the copayment or make satisfactory arrangements with the provider to make payment.

Child Care Assistance Audits and Fraud

In order to provide program integrity and financial accountability, CCS conducts regular provider audits. These audits allow for a review of provider billing practices to ensure alignment with program policies.

If you are selected for an audit, you will be asked to provide the original sign-in/sign-out attendance records for children within your program receiving Child Care Assistance. CCS may request these records with or without notice.

Please note the following Administrative Rule of South Dakota:

67:47:01:24 (5) The department may withhold payments, in whole or in part, to a provider if the department requests sign-in/sign-out attendance records, and the provider does not provide them to the department within the requested time frame.

When your records have been received and audited, you will receive notification of the findings. If you have requested payment incorrectly, you will be responsible to repay the resulting over-issuance.

Significant or recurring issues identified through the audit could lead to an investigation for an Intentional Program Violation (IPV). An IPV can result in the following penalties:

- 1st Offense IPV—Disqualification from receiving any monies or assistance from Child Care Services for a period of one year.
- 2nd Offense IPV—Disqualification from receiving any monies or assistance from Child Care Services for a period of two years.
- 3rd Offense IPV—Permanent disqualification from receiving any monies or assistance from Child Care Services.

Anyone that intentionally obtains benefits and is not entitled to them is committing fraud; this includes submitting incorrect reimbursement requests.

Any person who knowingly and willingly commits fraud against the department will be subject to criminal prosecution.

Welfare fraud is a crime.

If you suspect that someone is committing welfare fraud, please call the **Welfare Fraud Tip Hotline at 1-800-765-7867**. You will not be required to provide your name and all information will be kept completely confidential.

Frequently Asked Questions

Q. Do I have to accept children into my child care program that are receiving Child Care Assistance?

A. A provider does not have to participate in the Child Care Assistance (CCA) program. If a family would like to use your services, you would need to explain that you only accept private-pay customers and do not wish to participate in the CCA program.

Q. I received my Child Care Assistance reimbursement for a family in my care, and it does not cover their entire child care bill. The family has a Child Care Certificate with a \$0.00 copayment. Who is responsible for the remaining bill?

A. If the Child Care Certificate states that family has a \$0.00 copayment, that means that Child Care Services has determined that the family will not need to 'cost-share' a portion of the assistance. However, the family is still responsible to pay the child care provider if the Child Care Assistance does not cover the whole child care bill.

Q. A family in my care told me that their past provider requested payment for maximum allowed hours each month so that the State payment would cover their whole child care bill, even though their child was not in care for all of the hours. This doesn't seem right.

A. You are right. By intentionally requesting extra money, the provider is committing fraud. Please report this type of information to Child Care Services so that we can ensure the provider understands how to properly comply with the CCA program. It is important for all providers to request payment appropriately so that we can ensure that funds are available for those who need assistance.

Q. The payment I receive from Child Care Services (CCS) is often not enough to cover the child care bill for the family. Who pays the rest of the child care bill?

A. Child Care Assistance is meant to pay a portion of child care costs for eligible families. If the assistance paid by CCS and the family copayment (if applicable) does not cover the family's total child care bill, you may charge the family the remaining balance of the child care bill.

Q. What should I do if a family participating in Child Care Assistance (CCA) is not paying the rest of the child care bill that is owed to me?

A. If a family receiving CCA does not pay the child care bill, you have the right to use your policy for non-payment just as you do for private-pay families. Please note that Child Care Services can only sanction families for non-payment of the copayment to the provider.

Frequently Asked Questions

Q. Since Child Care Services (CCS) reimburses with an hourly rate, do I have to charge families in my care an hourly rate?

A. No. You can choose to bill families in your care in whatever rate format you would like. Regardless of how you charge families in your care, the family is responsible for the portion of the child care bill that is not paid by CCS.

Q. It is hard to get families to sign in and out each day on the attendance records for their child; they are often in a hurry and sometimes do not come all the way into my house. Can I just have them sign each month or week, or just when Child Care Services (CCS) requests my records?

A. No. Records that are not signed daily do not comply with CCS requirements. See page 4 for information on why attendance records with daily signatures are important. Parents must complete the records each day in order to ensure you receive payment from CCS.

Q. Since I am receiving money from the State of South Dakota, am I considered a state employee?

A. No. You are not considered to be an employee of the state. You are still considered to be self-employed as you are only receiving reimbursement from the state on behalf of eligible families.

Child Care Services Office Closure Dates

Child Care Services will be closed on the following holidays:

- New Year's Day January 1
- Martin Luther King Jr. Day Third Monday in January
- President's Day Third Monday in February
- Memorial Day Last Monday in May
- Independence Day July 4
- Labor Day First Monday in September
- Native American Day Second Monday in October
- Veteran's Day November 11
- Thanksgiving Day Fourth Thursday in November
- Christmas Day December 25

When a holiday falls on a Sunday, Child Care Services will be closed on the following Monday.

When a holiday falls on a Saturday, Child Care Services will be closed the preceding Friday.

Additional days may be proclaimed as a legal holiday by the Governor of South Dakota or the President of the United States. In the event of such an occurrence, Child Care Services will be closed.