

QUESTIONS RECEIVED VIA THE CAPPA CHILDREN'S FOUNDATION AFTER THE WEBINAR ON PRO-RATING

Q: Could more examples on accessing rates for variable schedules be given.

A: Staff at the Child Development Division does not understand the term "accessing rates" and cannot answer this question. The presentation contained no information regarding accessing rates.

Q: For contracted care with a licensed provider is it required that a parent pay the family fee when they have an excused absence?

A: Yes.

Q: Should family fees be applied for any days a child does not use care on a regularly scheduled day

A: Yes.

Q: Are you saying that if a license exempt provider has a financial agreement with parent and we have it on file that want payment for holidays, would that be okay to pay whether the need is full time or part time

A: If a family, friend, or neighbor provider has a financial relationship with the parent stating that the parent will pay the provider for days on which the child is absent (either excused or unexcused), the contractor should reimburse the provider for those days, consistent with their policies regarding excused and unexcused absences. Pursuant to Section 18076.2, a provider asking for reimbursement for holidays would have to provide documentation that the contractual terms used for services to non-subsidized families includes payment for holidays.

Q: When a child is suspended from school or after school care and the parent uses a back up provider or the regular provider, can we pay for the care used during those days?

A: It depends. Care cannot be provided during the hours a public school program is available. If another public school program is available (court and community schools, or alternative education), then the answer would be "no." If there is no school program available to the family, the answer would be "yes."

Q: For contracted care, when a parent is certified for a full time schedule and uses only a part time day are agencies expected to charge the parent the full time family fee rate?

A: Yes.

Q: Please expand on the limitation for the less than 14 days a month new ruling If we have a child using pt weekly care and there is a regular one or day in that week and care is provided for a full time day of 6 or more hours, can we use the daily rate for the FT days and hourly rate for the part time days for license exempt providers when the care used is over 14 days in that month?

A: The language inserted in the Trailer Bill by DOF states two things.

1. The daily ceiling (or rate) may only be used for up to 14 days (of 6 hours or more) per month. This is true whether the parent needs part-time or full-time care. The daily and hourly may be used in combination, but the daily ceiling cannot be used for more than 14 days in a month.
2. If you use the daily ceiling (rate) the amount of reimbursement for the month cannot exceed the provider's monthly rate or the monthly ceiling, whichever is applicable. This means that you cannot use the daily ceiling for 2 weeks of the month, then use a part-time monthly (or weekly) ceiling for the other two weeks of the month.

Please be aware that contractors are expected to select a ceiling corresponding to the parent's entire certified need for care. Contractors cannot divide the certified need into parts, and select different ceilings for each of those parts. The only exception to this rule is the use of the daily and hourly in combination, which, by regulations, is limited to certain circumstances.

Q: Is it the expectation that a family friend or neighbor would be prorated for an absence or flexible schedule even if the total hours are over 30 hours per week on average.

A: In general, the starting point for selecting a ceiling is the certified need of the parent (the days and hours of care you expect the parent to need). The next step is to compare this to the provider's rate (or the amount the provider would charge you for the same period of covered by the ceiling), and select the lesser of the two. For family, friend, and neighbor providers, the operational assumption should be that the provider is not asking for payment when the child does not attend, unless information indicating a different financial relationship between the provider and the provider's clients has been given to you by the provider. The limitation of 30 hours pertains only to the selection of the ceiling. Once the ceiling has been selected, the contractor needs to determine the amount of reimbursement. Determining the amount of reimbursement should not involve an assumption that care of 30 hours or more per week automatically results in reimbursement at the ceiling.

Q: In a week when full time care is met, however the care provided is less than the authorized schedule should agencies prorate? Ex: Approval is M-F 50 hrs and care is only provided 3 days 32 hours for a lic provider.

A: The answer would depend on: 1) the licensed providers policies (which they have submitted in writing to the contractor) regarding whether they charge for absences; and 2) whether the absences were excused for unexcused; and 3) the contractor's policies regarding excused absences (did they meet the definition of a family emergency or best-interest day?) and unexcused absences.

Q: Question: Based on the language used in this presentation we need clarification if the provider's RATE should ever be pro rated? meaning the usual and customary rate the provider has provided the agency in their parent provider agreement.

A: Yes, consistent with the standards in the presentation. If a provider has a full-time monthly rate (lower than the full-time monthly ceiling) and the parent is beginning care in mid month, the provider's rate should be prorated. The other examples would also apply.

Q: If we do in fact use any type of proration for the providers RATE what type of issues will we face as it pertains to the employee employer relationship?

A: Prorating a provider's rate, assuming that a contractor is operating their program consistently with State and federal rules, does not appear to have any bearing on the employer-employee relationship. The child care program requires limitations on the parent's benefit, as do most other public benefit programs (e.g., Food Stamps and Medi-Cal). In child care programs, one of those limitations is the parent fee. Many contractors require that providers collect the parent fee and subtract that amount from the total reimbursement. If limitations on the parent's benefit (in other words, requiring that parents pay a share of costs) affected the employer-employee relationship, we should also be concerned about parent fees. Parent fees are required by federal rules.

Q: What if the provider does not prorate their rate to the general public???

A: What a provider charges the public is relevant in many ways, but does not override legal limitations on reimbursement. For example, we reimburse providers at the ceiling when the ceiling is less than what they charge the general public. This limitation, required by the federal government, like other legal limitations on reimbursement, should be explained to parents and providers in advance.

Other legal requirements that could affect reimbursement should also be explained to the provider at the outset of the contractor's business relationship with the provider. For example: "the State will not allow us to reimburse you, on behalf of the parent, for more than ten days of non-operation per year. If you are closed for more than ten days, and expect payment for the additional days of closure, that payment will have to be given to you by the parent." Obviously, this should be explained to the parent as well, and should be part of the parent handbook and written information the contractor gives to providers.

Q: Question: Can we use a back up provider when the parent needs to work when their primary provider is closed?

A: Yes. See Section 18076.2(c).

Q: When parent has used more than 14 FT days in the month resulting in PT wks and a PT month, what ceiling do you use when the provider is license exempt?

A: The contractor would use an hourly ceiling, in all likelihood, as described in Section 18074.2(a)(3), for part-time care.

Q: Will CDE be providing a ceiling amount for license-exempt part-time month because we are not allowed to use daily?

A: The appropriate ceiling has been in regulations since 2003. See Section 18074.3(a)(3).

Q: Do we still count Cash Aid as countable income for the family?

A: Yes.

Q: Can we pay unexcused absences up to any amount we choose over and above the 10 BID given in the fiscal year?

A: Best-interest days are excused absences. Section 18066 requires that contractors set policies regarding unexcused absences, "which may include reasonable limitations, if any."