

DEPARTMENT OF SOCIAL SERVICES

744 P STREET, SACRAMENTO, CALIFORNIA 95814



October 27, 1999

ALL-COUNTY INFORMATION NOTICE NO. I-81-99

TO: ALL COUNTY WELFARE DIRECTORS
ALL COUNTY CHILD CARE COORDINATORS

**REASON FOR THIS
TRANSMITTAL**

- ☐ State Law Change
- ☐ Federal Law or Regulation Change
- ☐ Court Order or Settlement Agreement
- ☐ Clarification Requested by One or More Counties
- ☒ Initiated by CDSS

SUBJECT: CalWORKS STAGE 2 ALTERNATIVE PAYMENT PROGRAM

REFERENCE: CDE MANAGEMENT BULLETIN 99-18

The purpose of this letter is to inform county welfare departments of the instructions provided in Management Bulletin 99-18 by the California Department of Education (CDE) (copy attached). The bulletin provides Alternative Payment Program (APP) agencies with guidelines for moving Stage 2 CalWORKs child care families back to Stage 1 when an agency has insufficient funding to serve all the children enrolled in Stage 2.

The CDE Child Development Division has heard from various APPs serving CalWORKs Stage 2 families that the current level funding available in Stage 2 contracts may be insufficient to continue services to all enrolled families. For this reason, CDE is instructing Stage 2 APPs to work cooperatively with Stage 1 providers to ensure that any family that can no longer be served in Stage 2 be transferred back to Stage 1. County welfare departments are also encouraged to work with their local Stage 2 Child Care APPs to move families back to Stage 1 when Stage 2 funding is insufficient. Families eligible for CalWORKs child care should not experience a break in their child care service due to movement of their case back to Stage 1.

As mentioned in ACIN I 78-99 issued October 21, 1999, CDSS and CDE are working closely with the Department of Finance to determine the specific amounts of the CalWORKs Child Care reserve enacted in this year's State budget that are needed to fund Stages 1 and 2. Information that counties can provide via the CWDA survey regarding projected child care needs should reflect the extent to which counties are required to cover these additional costs.

Any questions regarding this ACIN or Stage 1 child care should be directed to your county Child Care Program Bureau Analyst at (916) 657-2144. Questions regarding Management Bulletin 99-18 should be directed to Nancy Remley of the CDE, Child Development Division at (916) 323-1329.

Sincerely,

***Original Document Signed By
Jo Weber on 10/27/99***

JO WEBER, Chief
Work Services and Demonstration Projects Branch



California Department of Education – Child, Youth and Family Services Branch

**Child Development
Division**

**MANAGEMENT
BULLETIN**

Main Office Number (916) 322-6233

Subject: CalWORKs Stage 2 Alternative Payment Program	No.: 99-18 (mb)
Authority: <i>Education Code</i> Sections 8350, 8350.1 and 8351	Date: October 1999
	Expires: June 30, 2000

**ATTENTION: CALWORKS STAGE 2 ALTERNATIVE PAYMENT PROGRAM
CONTRACTORS**

PURPOSE

The purpose of this Management Bulletin (MB) is to instruct CalWORKs Stage 2 Alternative Payment Program (APP) contractors of the appropriate actions to be taken should Stage 2 funding be insufficient to continue services to eligible families currently served under their Stage 2 contract.

BACKGROUND

MB 99-06 was issued to collect information to determine APP contractors' necessary funding for the 1999-2000 CalWORKs child care program for both Stages 2 and 3 Set-Aside. Initial CalWORKs Stage 2 contract allocations for Fiscal Year (FY) 1999-2000 were based on the amounts allocated in both State and federal contracts for FY 1998-99. Using the information collected from the responses to the MB 99-06 survey, an augmentation to the Stage 2 contracts was completed in late September.

Since that augmentation, the Child Development Division has heard from various APPs serving CalWORKs Stage 2 families that the current level of funding available in Stage 2 contracts may be insufficient to continue services to all enrolled families. It is very important that no eligible family be terminated from necessary child care services. As long as funds are available in either CalWORKs Stage 1 or 2, families currently enrolled in Stage 2 should not be terminated.

Staff in the Child Development Division are working closely with the Department of Social Services and the Department of Finance to determine the specific amounts of the CalWORKs Child Care reserve enacted in this year's State Budget that are needed to fund Stages 1 and 2.

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While we believe that the reserve will alleviate any funding shortage, agencies must take necessary steps to continue child care for the families that they currently serve.

POLICY

When a Stage 2 contractor has projected that the agency has an insufficient amount of Stage 2 funds to continue to cover the costs of services for currently enrolled families, the contractor must work with the agency administering Stage 1 to transfer the over-enrolled families into Stage 1. In some counties, this will require transferring the administration of the family's case back to the County Welfare Department (CWD). For the thirty-two CWDs that have contracted Stage 1 to the APPs administering Stage 2, this may mean an internal process.

In no case should an eligible family be terminated from services, nor should a family receive a Notice of Action indicating that services will be terminated. Each agency should take all necessary steps to ensure that eligible families are provided continuous services, as is required by the Stage 2 Funding Terms and Conditions. Eligible families include both those families receiving cash aid and families who are former recipients of cash aid within the last 24 months.

We hope that this instruction does not cause any additional agency disruption. Our singular purpose in providing this instruction is to ensure that families needing child care can continue to receive these services without any disruption.

Questions regarding this Management Bulletin should be directed to Nancy Remley of the Child Development Division at (916) 323-1329.

Maria Balakshin, Director
Child Development Division

Kathy B. Lewis, Deputy Superintendent
Child, Youth and Family Services Branch