

November 8, 2023

CALIFORNIA DEPARTMENT OF SOCIAL SERVICES

EXECUTIVE SUMMARY

CHILD CARE BULLETIN (CCB) NO. 23-34

The purpose of this letter is to provide guidance to counties and child care and development contractors regarding the provisions of Senate Bill (SB) 140 (Chapter 193, Statutes of 2023) pertaining to changes to child care provider payment policies and procedures.



KIM JOHNSON
DIRECTOR

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DEPARTMENT OF SOCIAL SERVICES
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GAVIN NEWSOM
GOVERNOR

November 8, 2023

CHILD CARE BULLETIN (CCB) NO. 23-34

GUIDANCE TYPE: **DIRECTIVE**

TO: ALL COUNTY WELFARE DIRECTORS
ALL COUNTY CHILD CARE COORDINATORS
ALL CHILD CARE AND DEVELOPMENT CONTRACTORS

SUBJECT: IMPLEMENTATION OF THE PROVISIONS OF SB 140 (CHAPTER 193, STATUTES OF 2023) PERTAINING TO CHILD CARE PROVIDER PAYMENT

APPLICABLE PROGRAMS: CALIFORNIA ALTERNATIVE PAYMENT PROGRAMS (CAPP)
MIGRANT ALTERNATIVE PAYMENT PROGRAMS (CMAP)
CALIFORNIA WORK OPPORTUNITY AND RESPONSIBILITY TO KIDS (CALWORKS) STAGES ONE, TWO (C2AP), AND THREE (C3AP)
THE EMERGENCY CHILD CARE BRIDGE PROGRAM FOR FOSTER CHILDREN (BRIDGE PROGRAM)
GENERAL CHILD CARE AND DEVELOPMENT PROGRAMS (CCTR)
FAMILY CHILD CARE HOME EDUCATION NETWORKS (CFCC)
MIGRANT CHILD CARE AND DEVELOPMENT PROGRAMS (CMIG)
CHILD CARE AND DEVELOPMENT PROGRAMS FOR CHILDREN WITH SPECIAL NEEDS (CHAN)

REFERENCE: [SENATE BILL \(SB\) 140 \(CHAPTER 193, STATUTES OF 2023\);](#)
[TITLE 45 OF THE CODE OF FEDERAL REGULATIONS \(45 CFR\) SECTION 98.45;](#)
[WELFARE AND INSTITUTIONS CODE \(WIC\) SECTION 10213.5;](#)
[WIC SECTION 10227.5; WIC SECTION 10277;](#)
[TITLE 5 OF THE CALIFORNIA CODE OF REGULATIONS \(5 CCR\) SECTION 18065;](#)
[5 CCR SECTION 18075; 5 CCR SECTION 18224;](#)

[5 CCR SECTION 18226;](#)
[CHILD CARE BULLETIN \(CCB\) NO. 22-03;](#)
[AGREEMENT BETWEEN THE STATE OF CALIFORNIA AND THE](#)
[CHILD CARE PROVIDERS UNITED \(CCPU\) UNION](#)

Purpose

The purpose of this letter is to provide guidance to counties and child care and development contractors regarding implementation of the provisions of SB 140 pertaining to child care provider payment policies and procedures. Specifically, SB 140 requires counties and contractors to develop, implement, and publish a plan for timely payments to providers, makes changes to parent signature requirements, and redefines part-time and full-time care.

Background

Pursuant to [5 CCR Section 18226](#), child care and development contractors must develop and implement a plan for timely payment to providers. The plan is required to include a description of parent fee collection methods.

[WIC Section 10227.5](#) requires child care providers authorized to provide services to submit a monthly attendance record or invoice for each child who received services. The monthly records are required to, at a minimum, document the dates and actual times care was provided each day, and be signed by the parent or guardian of the child receiving services once per month to attest that the child's enrollment is accurately reflected. The verification of attendance shall be made by signature at the end of each month of care and under penalty of perjury by both the parent or guardian of the child receiving services and the child care provider.

Pursuant to [5 CCR Section 18075](#), part-time care is defined as less than 30 hours per week, and full-time care is defined as 30 hours or more per week.

Guidance

Plan for Timely Payment to Providers

SB 140 adds [WIC Section 10277](#) and requires that on or before March 1, 2024, counties and child care and development contractors develop, implement, and publish a plan for timely payment to child care providers, which must include all of the following:

1. A provision requiring that, for providers accepting subsidy vouchers, child care reimbursement shall be made within 21 calendar days of the submission of a complete monthly attendance record or invoice, as defined in [WIC Section 10227.5\(f\)](#). For providers participating in a family child care home education network, reimbursement shall be made within 21 calendar days of the

submission of a daily sign-in and sign-out sheet, as specified in [5 CCR section 18065](#);

2. A schedule for the payment of services that must be signed by the child care provider;
3. A provision requiring that if a provider submits attendance records or invoices for multiple children, and not all individual records or invoices within the submission include adequate information to provide a payment, payments will not be withheld for those records or invoices that do include adequate information to provide a payment;
4. Procedures that establish clear processes and timelines to resolve overpayment and underpayment issues, which must include provider written consent to recover any overpayment.
5. A provision that if a county or contractor is unable to make payment within 21 calendar days due to extenuating circumstances, the impacted provider will be notified within a reasonable timeframe of the county or contractor becoming aware of the circumstance causing the delay of reimbursement payment. Extenuating circumstances include, but are not limited to, an emergency or payment system malfunction.

Counties or contractors must publish the plans through which they meet the requirements of [WIC Section 10277](#) in documents available to providers, such as provider handbooks and individual provider agreements, and are encouraged to post this information on any webpages for providers they may host.

The California Department of Social Services (CDSS) will support counties and contractors with the development and implementation of these plans as well as with compliance with the requirements enumerated in [WIC Section 10277](#). If CDSS becomes aware that a county or contractor is not adhering to these requirements, CDSS may issue a finding of noncompliance and the county or contractor may be subject to corrective action.

As the newly added [WIC Section 10277](#) has been added to Chapter 10 of the Child Care and Development Act pertaining to Administration, its provisions apply to all CDSS-administered child care and development programs.

Parent Signature Requirements

SB 140 amends [WIC Section 10227.5](#) and adds [WIC Section 10277](#) to allow for attendance records or invoices to be processed without a parent's signature when all of the following conditions apply:

1. The parent has not communicated with the provider for a minimum of seven consecutive days;

2. The provider has notified the contractor(s) of the parent's lack of communication in accordance with [5 CCR Section 18066.5](#); and
3. The provider has documented the provider's unsuccessful attempts to collect a signature.

These provisions are effective immediately and apply to all CDSS-administered child care and development programs.

Definitions of Part-Time and Full-Time Care

SB 140 amends [WIC Section 10213.5](#) to add definitions for "part-time care" and "full-time care."

On or before March 1, 2024, "part-time care," for reimbursement purposes, is defined as care certified for a child for fewer than 25 hours per week, and "full-time care" is defined as care certified for a child for 25 or more hours per week. On or before March 1, 2024, counties and contractors processing reimbursement for voucher-based programs must use full-time rate categories when certified care is at or exceeds 25 hours per week. Center-based contractors shall also be reimbursed for full-time care when care is at or exceeds 25 hours per week. This change has no impact on family fee determination or the definition of full-time plus care and does not require providers to change their hours of operation or rate sheets.

These amendments apply to all CDSS-administered child care and development programs.

If you have any questions or need additional guidance regarding the information in this letter, please contact your Program Quality and Improvement Consultant, Bridge Program Policy Analyst, or CalWORKs Stage One Child Care Policy Analyst by visiting the [Child Care and Development Division Contacts webpage](#).

Sincerely,

Original Document Signed By

LUPE JAIME-MILEHAM, EdD
Deputy Director
Child Care and Development Division