DEPARTMENT OF SOCIAL SERVICES
744 P STREET, SACRAMENTO, CALIFORNIA 59814

May 17, 2001

ALL-COUNTY INFORMATION NOTICE NO. I-33-01

TO: ALL COUNTY WELFARE DIRECTORS
ALL COUNTY CHILD CARE COORDINATORS
ALL ALTERNATIVE PAYMENT PROGRAM PROVIDERS
ALL RESOURCE AND REFERRAL AGENCIES
ALL LOCAL PLANNING COUNCILS

REASON FOR THIS TRANSMITTAL

[ ] State Law Change
[ ] Federal Law or Regulation Change
[ ] Court Order or Settlement Agreement
[ ] Clarification Requested by One or More Counties
[x] Initiated by CDSS

SUBJECT: SUGGESTED PRACTICES FOR SIMPLIFYING CALWORKS CHILD CARE PAYMENT PROCESSES

REFERENCE: ASSEMBLY BILL 1542, CHAPTER 270, STATUTES OF 1997 (AB 1542)

The purpose of this notice is to provide County Welfare Departments (CWD) with information about some innovative practices used by various counties for expediting and simplifying the payment process involved for Stage One CalWORKs child care.

Although all counties have implemented systems for various processes involved in providing CalWORKs child care, a number of counties expressed interest in sharing this information. In particular, counties are interested in sharing information about successful local practices. Attachment 1 presents some of these practices that may help to expedite the provision of child care services.

If you have questions about the information in this letter, please contact your child care program analyst by calling the CalWORKs Child Care Programs Bureau at (916) 657-2144.

Sincerely,

Original signed by
Jo Weber on 5/17/01

JO WEBER, Chief
Work Services and Demonstration Projects Branch

ATTACHMENT

SIMPLIFYING CalWORKs CHILD CARE PAYMENT PROCESSES INNOVATIVE PRACTICES

Counties have shared a number of practices that have been helpful in dealing with problems and concerns that arise in the CalWORKs child care payment process. Following are some of the innovative strategies used to effectively administer child care services and payments:

1. Validating the Child Care Claim

When clients are first enrolled in CalWORKs, their need for child care is limited to the times they are required to attend activities such as orientation, assessment, etc. Once a planned activity has begun, their need for child care may be on a more ongoing or regular basis. When a client's schedule has begun to stabilize, some counties reimburse child care based on a monthly rate or weekly part-time/full-time rate, rather than an hourly rate.

Monthly/weekly rates relieve the county from having to validate the hours of child care claimed against the actual hours of participation. This practice has resulted in more prompt payment for providers that choose the monthly or weekly rate. In some counties, providers that insist on being paid on an hourly basis are informed that payment will be delayed due to the need to verify the hourly rate.

One county has established a policy of not paying by the hour for full-time care unless the provider demonstrates that he/she charges all clients in this way. Other counties do not allow providers to charge an hourly rate for full time care. It has been the experience in many counties that the request to be paid an hourly rate comes largely from license-exempt providers.

The Regional Market Rate (RMR) policy found in All-County Letter (ACL) No. 00-42 defines the number of hours needed to qualify for payment for part-time and full-time care, and specific rates in a child care center, family day care home, or with an license-exempt/in-home provider. Part time care is care for less than six hours per day, 30 hours per week, or 126 hours per month for a month consisting of 21 days. Full time care is care for more than six hours per day, 30 hours per week or 126 hours per month. Payment is based on how a provider charges non-subsidized clients for the same services, (for example, hourly, daily, weekly or monthly rates). RMR policy also provides guidelines for payment of hourly, weekly or monthly rates.

2. Pre-approved Child Care for Variable Work Schedules

Clients whose work or activity schedule varies during the week or month can have their child care pre-approved for a specific number of hours and for a specific period of time. For these clients, the county authorizes a range of hours of child care per week. Payment clerks have been trained that if the number of hours claimed is within these limits, they can process payments or pay up to a certain percent above the maximum number of approved hours without additional verification. The advantage of this system is that claims can be processed more quickly, providers can be paid on a flow basis, and clients are able to take care of occasional appointments and family emergencies without disrupting their work schedule or worrying about child care arrangements.

3. Late Submission of Claim Forms

One county encountered problems due to a large volume of late claims because of delays in getting both the parents' and providers' signatures. The county resolved the problem by training their providers to get the parents' signature on the completed claim forms to avoid late claims. By combining this practice and a process similar to the pre-approved child care practice mentioned above, they were able to reduce the late claim workload.

4. Provider Complaints About Late Payments

One county encountered problems where providers complained that they had not been paid in 6 months. The county visited these providers and investigated their complaints. In almost every case, the problems were due to poor bookkeeping. The county worked with the providers on establishing a more streamlined process for documenting and expediting child care payments.

5. Use of "Point of Sale" Cards

The San Diego APP has begun conducting a pilot project using "point of sale" cards (similar to ATM cards) and machines for providers to use. Using the system, the clients swipe the card through the machine at the provider's site each time a child is signed in and out of child care. The pilot project also features an internet access site. Counties interested in more information on this system may contact Debbie MacDonald at (619) 521-3055 extension 200 or via e-mail to dmacdona@ymcacrs.org.

6. Late or Missing Claim Forms

In one county, the eligibility worker or case manager checks with the client if a payment or child care claim has not been made for over 60 days. This practice allows the county to follow up with clients who may be having problems, have become permanently employed, or no longer need child care.

7. Verification of Income and School Attendance; Transition to Stage Two/Three; Troubleshooting

One county uses the following practices to address payment problems:

- The county has trained its providers to get all the income or school verification from the client. This saves the county from having to go to the worksite or the home to get required paperwork or information.

- The county uses the same forms for both Stage One and Stage Two so the client does not need to present additional documents upon transition to Stage Two.

- The county has established a hot-line for providers and parents to call in about child care problems.

8. Miscellaneous Practices

Other practices include the following:

- One county makes provider payments on a flow basis rather than once a month.

- One county handles transition by not discontinuing Stage One child care until they get a form from the Stage Two agency verifying that the clients are enrolled.

- A number of counties and APPs have agreed to begin providing child care in Stages Two and Three only on the first of the month, rather than all through the month.

- One county has established a screening system to avoid the possibility of a client being served by two different agencies at the same time for the same service. They have regular meetings with APPs and compare lists of clients on a regular basis.

c: Jo Weber
Bobbie Holm
Teri Ellen
Roberta Valla
Route
Chron