

REGULATED PROVIDER AGREEMENT
APPENDIX A - RULES FOR PARTICIPATION IN THE SUBSIDIZED CHILD CARE
PROGRAM

A. PROVIDER INFORMATION UPDATE

The Child Care Information Services (CCIS) will obtain identifying information about the provider and collect rate information the first time the provider has contact with the CCIS. The CCIS will update this information at intervals established by the Office of Child Development and Early Learning (OCDEL). In order to participate in the subsidized child care program, all regulated providers must have a Provider Agreement (Agreement) and must provide the information requested by the CCIS, including the rate information found in Appendix C-1, at intervals established by OCDEL. Failure to provide the information requested by the CCIS at intervals established by OCDEL may result in the termination of the Agreement.

As part of the information requested by the CCIS, the provider will be asked to report the weekly full-time and part-time published rate, where applicable, according to the following definitions:

- The **weekly full-time rate** is the rate the provider would charge parents for five or more hours of child care daily, any time between 6:00 AM and 6:00 PM, five days per week (Monday through Friday).
- The **weekly part-time rate** is the rate the provider would charge parents for up to four hours and 59 minutes (no five hours) of child care daily, any time between 6:00 AM and 6:00 PM, five days per week (Monday through Friday).

Weekly average private pay rates (full-time and part-time) are converted to a daily rate by dividing by five, which is called a **Converted Payment Rate (CPR)**.

OCDEL or the CCIS will authorize changes to the payment rate only when the CCIS requests that the payment rate be updated and only at intervals established by OCDEL.

B. ENROLLMENT

1. The CCIS will determine the enrollment date for any subsidy-eligible child. Payment is made effective on the date authorized by the CCIS on a form prescribed by OCDEL.
2. The provider must submit an invoice to the CCIS for any authorized subsidy-eligible child in order to receive payment for that child. See Section D, "Submitting an Invoice for Payment".
3. The provider may not transfer a subsidy-eligible child to another site or provider without prior written authorization from the CCIS.

APPENDIX A (Continued)**C. PAYMENT**

The CCIS's daily payment for regulated providers is either the Maximum Child Care Allowance (MCCA) or the Converted Payment Rate (CPR), whichever is less, minus the parent co-payment.

1. Types of Payment Rates

There are three types of payment rates: standard payment rates, blended payment rates, and Keystone STARS add-on rates. Payment rate details and example calculations are provided in Appendix F – Payment Rate Calculations.

2. Additional Fees

- a. If the provider's CPR is higher than the DPW MCCA, the provider may charge the parent/caretaker the difference.
- b. The CCIS will not pay the provider for any of the charges in addition to the actual delivery of child care services.
- c. Any payment the provider receives from the parent/caretaker must first be applied to the family's weekly co-payment assessed by the CCIS.

3. Co-payment

- a. The CCIS assesses each family a weekly co-payment which is paid one week in advance of receiving services on the first day of the service week.
- b. The co-payment covers all the days of the week for which the CCIS authorizes child care.
- c. The full co-payment amount is due to the provider regardless of the number of days of care a child receives in a week.
- d. It is the provider's responsibility to collect the co-payment on a weekly basis and report any unpaid co-payment to the CCIS. The co-payment is delinquent if it is not paid by the last day of the service week. The provider must report a delinquent co-payment on the service day following the day the co-payment becomes delinquent.
- e. The provider must notify the CCIS when the delinquent co-payment is resolved. When the parent/caretaker incurs a delinquent payment, and the parent/caretaker makes a payment to the provider, the provider should attribute the payment against the co-payment due for the current week of care. The provider should then assess the remainder of the payment towards the delinquent amount.

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Note: If the provider has additional outstanding charges with the parent/caretaker (such as transportation fees), the provider must work out a separate arrangement with the parent/caretaker. Any payment that the parent/caretaker makes to the provider must be first applied to cover all delinquent and current co-payments.

4. Absences

The CCIS will only pay the provider for ten consecutive days of absence. On the 11th consecutive day of absence the provider must contact the CCIS. The CCIS will notify the parent or caretaker that the family's eligibility for subsidized child care will be terminated on a specific date unless the child returns to care prior to that date.

5. Changes to the Converted Payment Rate (CPR)

- a. The CCIS will implement requested rate increases only at intervals established by OCDEL, subject to the availability of funds and not to exceed the MCCA.
- b. When the provider reports an additional service not previously offered, rates for that service will become effective upon written notification from the CCIS.

6. Verifying the Provider's Reported Rate and its Relationship to the Converted Payment Rate (CPR)

- a. As part of the CCIS agencies' rate verification process, the provider shall make available to the CCIS the following documents or facsimiles that contain the information below:
 - A signed and dated copy of the service location's most current Published Weekly Rates, payment-related policies and operations schedule.
 - A copy of the OCDEL-approved Attendance Sheet or an equivalent form that includes each enrolled child.
 - A copy of the OCDEL Agreement form or an equivalent form, for any child chosen as part of the sample. The Agreement form must be signed by the parent/caretaker.

A copy of weekly payment records for all enrolled families. Weekly payment records must show the daily rate for child care. If a private-pay family does not make payment for the full private-pay rate because the private-pay rate is being supported by other funds, the source of those funds must be shown. The source of the other funds may be grant funds, foundation funds, parent payments, and CCIS payments.

- b. The CCIS will ask the provider to explain how he or she calculated the weekly rates (full-time and part-time) as defined in this Agreement.

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- c. The provider must be able to show OCDEL examples of private pay families paying at least the CPR, as identified on the APPENDIX C-2, without support of other funding or discounts. If no private pay families are enrolled, the CPR should be equal to or less than the MCCA.
- d. During the verification process, if the CCIS determines that the provider has been overpaid, the provider must reimburse the CCIS for the overpayment.

7. Closed Days

- a. The provider can be paid for a maximum of 15 closed days per year from the period July 1 through June 30 and for which it charges private pay families.
- b. The provider must indicate those closed days before July 1 of each year at a time that the CCIS specifies.
- c. Once the provider identifies the closed days, those days cannot be changed.
- d. If the provider lists fewer than 15 days, additional days may be added as follows:
 - The provider must notify the CCIS at least two weeks prior to adding a closed day.
 - The provider must notify the CCIS within 3 days of reopening the facility following an emergency closure such as weather related, utility outage, physical site damage or other unplanned closures.

D. SUBMITTING AN INVOICE FOR PAYMENT

1. The provider must submit an invoice to the CCIS on a monthly basis on a form provided by the CCIS. The invoice must include the days of attendance for each child. The invoice is due to the CCIS by the fifth calendar day of the month following the month in which child care is provided. CCIS will not make a payment for an individual child until the signed invoice is received.
2. The CCIS may terminate the Provider Agreement if more than two invoices are received by the CCIS following the 20th calendar day of the month following the month in which child care is provided and the CCIS has taken steps to work with the provider, but was unable to resolve the problem.
3. The CCIS **will not make payment** on any invoice received more than 60 calendar days following the last day of the calendar month that child care is provided. Invoices for the months of May and June of the current fiscal year must be received by July 31 of the succeeding fiscal year.
4. The CCIS will not pay a provider for more than 15 days of closure for any reason during a fiscal year.

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E. COLLECTION OF OVERPAYMENTS

If the provider is overpaid by the CCIS for delivering child care, the provider must reimburse the CCIS for the amount that was overpaid. The CCIS may adjust the monthly payment to the provider to recoup any overpayment. The CCIS will explain the adjustment in writing to the provider. If the provider does not pay the overpayment, or if the provider is no longer participating in the Subsidized Child Care Program, the provider will be referred to the Commonwealth's collection agent.

F. LIMITATIONS

A provider whose certificate of compliance has been removed by OCDEL for any reason other than voluntary non-renewal may not be permitted to enter into another Provider Agreement without approval from the Bureau of Subsidized Child Care Services.

Obsolete