

NOTIFICATION OF CHANGES

IMPORTANT – PLEASE READ

Dear Parent/Provider:

The Department of Public Welfare (DPW) is adjusting the payment rates for child care provided in relative/neighbor and in-home child care settings. The new rates continue to be based on type of care, unit of care, age of the child and the county where child care is provided. Because you are a relative/neighbor child care provider for families participating in the subsidized child care program, or a parent or caretaker using in-home child care, this information relates directly to you.

The revised rates are effective July 1, 2006. For child care services you provide July 1, 2006 and thereafter, you will see a decrease of \$1.25 per day in your payment. This applies to all relative/neighbor and in-home child care providers. Please refer to the attached chart for specific information about your payment rate.

In addition, DPW is revising two other payment policies that affect all providers participating in the subsidized child care program.

Revised policy for paying for nontraditional rates

DPW currently pays a 25% add-on for providing care anytime during nontraditional hours. We will return to the previous nontraditional payment policy that was in effect prior to July 1, 2002.

Effective July 1, 2006, in order to receive the 25% add-on to a full time daily rate, at least five hours of care must have occurred between the hours of 6:00 P.M. and 6:00 A.M.; to receive the 25% add-on to a part time daily rate, at least three hours of care must have occurred between the hours of 6:00 P.M. to 6:00 A.M. DPW will continue to pay an additional 25% add-on when care is provided anytime on a Saturday and/or Sunday.

We have attached two revised pages of the Relative/Neighbor Provider Agreement (Appendix A, pages 1 and 2), which reflect the new nontraditional payment policy. Please discard the two outdated pages of your Provider Agreement and insert the two newly revised pages into your Provider Agreement.

Care level roll-over

Currently, new care level rates begin to be paid on the first of the month two months after the month in which the child was born. For example, an infant who turns one year old on July 15 advances to the young toddler care level on September 1. We will return to our previous payment policy for care level roll-over.

Effective July 1, 2006, we will begin paying the new care level on the first of the month following the month of the child's birthday. In the example above, we will begin to pay the young toddler rate on August 1, not September 1. Although this policy is effective July 1, 2006, if you care for children who experience a care level roll-over between June 1, 2006 and August 1, 2006, you will not notice a change in your payment until you receive your check in September for services provided in August. Please note that your payment for August services may be reduced to reflect overpayment recoupment if you had July enrollments that were affected by the care level change.

Please contact your local CCIS agency if you have questions. Thank you for continuing to serve our children.

Sincerely,

Department of Public Welfare
Office of Child Development