



# SHARING THE NEWS

Important Information for Child Care Providers  
caring for children in the Wisconsin Shares Child  
Care Subsidy Program

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The purpose of the Wisconsin Shares Child Care Subsidy Program is to assist low income working families in paying for the cost of quality child care for the time needed to participate in work and work activities.

## In This Issue

- Budget Situation-Attendance Policy
- Co-payment change for Certified Care
- Tax Forms and W-9s
- Why We Adjust Authorizations
- Subsidy Monitoring—Provider Expectations and Requirements
- Lead Paint Exposure Prevention



### Wisconsin Shares Budget and Spending

As reported in the December issue of **Sharing the News**, the 2007-2009 budget for the Wisconsin Shares Program is very tight. DWD has again identified a deficit for both the current year and next year. As a result, the 50% attendance policy for enrollment authorizations will be reinstated as of March 30, 2008. More information will be provided to you in the near future. For updates, see the web site at <http://dwd.wisconsin.gov/childcare/wishares/policychanges2008.htm>.

**If you have access to email, we urge you to subscribe to the Child Care Subsidy List at** <http://dwd.wisconsin.gov/childcare/listserv/default.htm>.

### Copay Changes for Certified Care

The federal Department of Health and Human Services has notified Wisconsin that system-calculated copays for certified care must be the same as for licensed care. Wisconsin must eliminate the differences in copays by April 1, 2008 or risk losing federal funding for child care. Effective March 30, 2008, copays for Certified Care will increase to the copays for licensed care. For more detail, see <http://dwd.wisconsin.gov/childcare/wishares/policychanges2008.htm>

### Tax Forms and W-9s

At the end of January, DWD mailed 1099 Tax Forms to all providers who had received \$600 or more from the subsidy during 2007 and who had designated their business type as one of the following on their most recent W-2 form:

- Individual/Sole Proprietor
- Limited Liability Company-Partnership

- Limited Liability Company-Sole Proprietor

DWD staff reports that a number of providers who believe they should have gotten a 1099 but did not were wrongly designated as “Limited Liability Company Corporation” rather than “Limited Liability Company Sole Proprietor” or “Limited Liability Company Partnership”. Sole Proprietors and Partnerships, whether Limited Liability or not, should be designated in the automated system as “individual/sole proprietor/partnership” and should receive a 1099. If you think you should have received a 1099 and did not, check your records for the business type designated on the W-9 and file a corrected W-9 if needed.

In some instances, the Internal Revenue Service (IRS) informs us that there is a problem with the provider’s Taxpayer ID Number. In these cases, DWD contacts you to request a new W-9 to correct the problem. If you do not respond to these requests in a timely manner, DWD will suspend authorizations and withhold Wisconsin Shares payments until the matter is resolved.

**You are responsible for keeping up to date information with your local Child Care Agency, including a current and correct W-9 form.**

### Adjusting Authorizations

In the September, 2007 issue of **Sharing the News**, we described some of the steps in producing the authorizations that you see for child care. One of the basic items that we described was that the hours authorized are limited to the hours needed while the parent or parents work or participate in other approved activity. The policy for Wisconsin Shares is that authorizations should only reflect the child’s need for care during eligible activities.

As you may have seen, authorizations sometimes change, either in the middle of an authorization period,

or from one authorization period to another. The reason for these changes is that the child's need for care has changed or the original authorization did not accurately reflect the child's need for care during eligible activities. In making this decision, a worker will consider things like:

1. The parent's employment hours have changed or are different from what was originally reported.
2. In a two-parent household—where care is only authorized for the time when the two parents' work schedules overlap each other--the overlap between the parents working schedules has changed or is different from earlier information.
3. The parent's school year has ended. A working parent who is also taking classes at the technical college needs fewer hours during school holidays.
4. The worker learns of another adult in the household. This adult can provide some or all of the care previously authorized through Wisconsin Shares.
5. Regardless of the parent's schedule, the child uses less care than authorized or use is variable.

If any of these occur, the worker will change the type of authorization (for example, from enrollment-based to attendance-based) or the number of hours authorized to more accurately reflect need. Actively managing the authorizations helps local agencies reduce the risk of both parent and provider overpayments. This, in turn, avoids the hardship and disruption of a parent or provider overpayment collection.

### **Subsidy Monitoring—What we do; What to expect**

As part of overall management of the Wisconsin Shares Child Care Subsidy Program, DWD and local child care agencies are responsible for making sure that the child care subsidy money is properly spent. To do this, we regularly look at reports that help verify that the families receiving the subsidy are eligible, that they are participating in eligible activities for the hours that child care is being used, and that providers are complying with program requirements. We also visit child care providers who receive subsidy payments. A provider may simply be randomly visited, visited because the local agency visits each program, have a subsidy review each time they have a certification review, visited because they meet a threshold for amount of money received or children cared for, or as a follow-up to complaints, tips, or findings from the review of reports or other information. Site visits are usually unannounced.

Regardless of the reason for the site visit you should expect that the monitor(s) will view your program in operation, and review and copy attendance records. You have agreed to this monitoring by participating in the Wisconsin Shares program and submitting attendance forms for payment. The attendance

reporting form includes this agreement. Depending on the information that triggered the visit, or findings during the visit, additional information may be requested.

You must cooperate with these visits. It is condition of participating in the Wisconsin Shares Child Care Subsidy. You must provide access to your facility if you are open for business at the time of the unannounced visit. You must provide monitors with immediate access to any on-site attendance records and meet timelines for submitting any older records stored off site. Often, the monitors will need to scan or photocopy the original documents for more careful review. You cannot refuse this request. If original records need to be removed for copying, the monitors will work with you and your licensor or certifier to assure that you remain in compliance with your regulatory requirements. Failure to cooperate can result in payment interruptions, cancellation of authorizations, and other sanctions.

You can expect that monitors will identify themselves, and be courteous and respectful of the operation of a child care service and business.

### **Lead Paint on Toys – Remember Lead Paint Threat in Older Homes!**

Recently, there has been several recalls on toys that contain lead paint. Toys aren't the major documented danger for lead poisoning. The risk is much higher when children live/spend time in older homes. Wisconsin ranks 6<sup>th</sup> in the nation for childhood lead poisoning. In the past 10 years, more than 40,000 children have been identified with lead poisoning.

Children under age 6 are at greatest risk. Lead interferes with child's normal brain development, resulting in lower IQ and behavioral problems like aggression and hyperactivity. Later in life, this can lead to disciplinary actions, delinquency and adult criminal behavior.

Lead poisoned children are found in every Wisconsin county. Old housing is the primary lead exposure source for infants and children. Deteriorating lead-based paint in older homes, especially those built before 1950, creates dust on windows, floors and porches. Children can inadvertently ingest the lead when they place their hands in their mouths.

While the lead in toys and consumer products is a serious problem, it would be a big mistake to lose the message that the lead paint hazard in housing remains by far the most important exposure source for children in Wisconsin.

**Lead poisoning is completely preventable!** Log onto [dhs.wi.gov/lead](http://dhs.wi.gov/lead) or call your local health dept to find out what you can do.

DWD is an equal opportunity employer and service provider. If you have a disability and need to access this information in an alternate format; need it translated to another language, or you have questions about the content of this newsletter, please contact your county child care coordinator or call the Child Care Help Desk at (608) 261-6317, option #2.

For civil rights questions call (608) 266-6889 or (866) 864-4585 TTY (Toll Free).  
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