

March 19, 2007

**Dear Child Care Providers,**

The Wisconsin Shares Child Care Subsidy Program is facing a projected \$46 million deficit by June 30, 2007. One of several changes that this department is implementing to reduce costs in the program is the following attendance policy for enrollment-based authorizations in licensed child care settings.

**Change in Attendance Policy:**

**Effective April 1, 2007, if an enrollment authorized child attends less than half of the authorized hours within one week, the provider will be paid only for the hours of care provided unless the county/tribal worker approves the absence. This will not change the authorization, only how providers are paid when the authorization is not being used.**

**Attendance Policy Example:**

Johnny has an enrollment based authorization of 45 hours/week. During the week of 4/1/07, Johnny attends only on Monday for 9 hours (20% of authorized hours). Johnny does not come to care the rest of the week. The subsidy program will only pay for 9 hours on attendance based for the week of 4/1/07 unless the worker approves the absence. If Johnny attends 35 hours (77%) the second week, payment will be paid on enrollment basis i.e. a full weekly amount paid.

**Approved Absences:**

If there is an approved reason for an absence (such as illness), the parent's county/tribal worker may approve a full payment. Under this new policy the parent must contact their county/tribal worker to request full payment and will be required to provide verification for absences longer than one week. Providers may indicate on the Attendance Report Form absences they feel should be approved but it is the parent's responsibility to contact their county/tribal worker for approval. Current absences that are in place in the zero hour attendance policy will be used.

**Changes in Authorization Notices:**

The authorization notices for enrollment based authorizations list hourly and weekly rates effective 3/4/07. If the child attends less than 50%, the hourly rate will be used. Also, CCPI will be modified to display this change.

**Special Needs Children:**

Special needs children who are authorized on an enrollment basis and are documented as special needs eligible in CSAW are exempt from the policy and will continue to be paid at the full weekly rate.

Accurate attendance reporting ensures the likelihood that the program's funding will be available for the growing number of children who need child care. Providers must continue to report only hours of care provided and should be aware that provider records are subject to auditing.

**Increase in Parent Co-Payments: While family income limits are being adjusted for the 2007 FPL, 2007 Child Care co-pay amounts will reflect an eight percent increase due to budgetary constraints. Co-payments increased by 8% on 3/11/07.**

**Increase in Parent Co-Payments:**

Each year, the federal government adjusts the Federal Poverty Level (FPL). As a result of the annual FPL changes income limits used for child care eligibility and the income ranges that are used to determine the family co-payment for Child Care authorization can change.

When calculating the subsidy amount, the system deducts a co-payment based on family income, number of subsidized children in care, and the type of provider chosen. These parent co-payments increased by 8% on 3/11/07.

For further questions, please contact your local child care administrative agency at the county or tribe or refer to the Child Care Website at:  
<http://dwd.wisconsin.gov/dws/programs/childcare/wishares/policychanges2007.htm>. Effective March 26, 2007, DWD will also have a statewide hotline for child care provider questions about the under utilization attendance policy at: **1-888-499-3464**.