

# Upcoming Changes in the Wisconsin Shares Child Care Subsidy Program

The number of children served in the child care subsidy program has increased 26% over the last 5 years with virtually flat federal funding with an average of 55,000 children served on a monthly basis. DWD estimates there will be a deficit of approximately \$46 million by the end of the 2007 fiscal year (6/30/07).

The department is taking the following steps to ensure that funding is available for reimbursement:

## 1. Change in Attendance Policy:

This policy applies to enrollment based authorizations only to licensed group and family, public school, and certified school age programs only.

DWD has analyzed many ways to contain the cost of the child care subsidy program. Recent patterns show low attendance for many enrollment based authorizations. For example, a child is authorized for 35 hours but attends only 10 hours and the subsidy pays the provider for 35 hours (a fulltime slot). The department no longer can afford paying a full-time slot when the child does not use it. As a result, the following policy change was determined to be the least disruptive among several options:

**Effective 3/4/07, if a 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.**

### Example:

Johnny has an enrollment based authorization of 45 hours/week. During the week of 3/4/07, 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 3/4/07 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 will have hourly and weekly rates starting 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 with a negotiated rate will continue to be paid at the full weekly rate even if the attendance is less than 50%.

### Accurate Reporting:

Accurate attendance reporting insures 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.

## 2. Increase in Parent Co-Payments:

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 co-payments will increase by 8% effective 3/11/07.

For further questions, please contact your local child care administrative agency at the county or tribe.