

DEPARTMENT OF SOCIAL SERVICES
FAMILY SUPPORT AND CHILDREN'S DIVISIONS

CD04-48
FSD-44

P.O. Box 2320

JEFFERSON CITY, MO

May 12, 2004

MEMORANDUM

TO: ALL REGIONAL ADMINISTRATION, FAMILY SUPPORT AND CHILDREN'S
DIVISION STAFF

FROM: FREDERIC M. SIMMENS, DIRECTOR, CHILDREN'S DIVISION
DENISE CROSS, DIRECTOR, FAMILY SUPPORT DIVISION

SUBJECT: REVISED CHILD CARE CONTRACTS FOR LICENSED PROVIDERS

REFERENCE: CHILDREN'S AND FAMILY SUPPORT DIVISIONS

DISCUSSION:

The Child Care contracts for licensed centers, group homes and family homes doing business with the Department of Social Services are revised. A small supply of revised contract forms will be available at the warehouse.

The revised contract forms are now available electronically on the ONE-FORM site. You may access the new child care contracts at <http://www.oa.mo.gov/gs>, click on **Forms Management**, click on **May Eforms**. The three child care contracts are listed on the May 2004 Eforms page as **886-4103** (CM-5A), **886-4102** (CM-5B), and **886-4104** (CM-5C).

All child care providers must have the revised version of the contract in force for the State Fiscal Year 2005 (SFY2005) beginning July 1, 2004. New contracts from now until July 1, 2004 and renewals effective July 1, 2004 are to be treated differently with respect to the contractual changes in the revised documents.

Effective with receipt of the revised contract forms with a revision date of 03-04, provide the revised contract to child care providers requesting an initial contract or needing a new contract due to a change in facility ownership or Departmental Vendor Number (DVN).

For providers with active contracts, the agency will continue to operate under the terms of the existing contract through the end of this fiscal year, expiring June 30, 2004. Effective with contract renewals for SFY 2005, for the period of July 1, 2004

through June 30, 2005, the revised contracts will be sent to providers with an active contract.

CONTRACT FORM REVISIONS

A contract document was developed for each facility type:

- ▶ Family home providers complete the FAMILY CHILD CARE HOME SERVICES contract, Form CM-5A,
- ▶ Group home providers complete the GROUP CHILD CARE HOME SERVICES contract, Form CM-5B, and,
- ▶ Center providers complete the CHILD CARE CENTER SERVICES contract, Form CM-5C.

Effective with receipt of the revised contract forms, all licensed providers are required to complete the contract that is appropriate for their facility type.

Although all contract forms are standardized for requirements and change only in facility type language, be aware of the following revisions:

- ▶ Evening care designations changed to “care that begins or ends after 7:00p.m to 6:00 a.m. the next calendar day.”
- ▶ Weekend care changed to “begins on or after Saturday at 6:00 a.m. and ends by Sunday at 7:00 p.m.”
- ▶ The requirement of providers to submit a completed IRS W-9 form is added to the contract language.

OTHER CHANGES IN THE CHILD CARE CONTRACT PROCESS

In order for the Department of Social Services to comply with requirements of the Internal Revenue Service, all child care providers must submit:

- ▶ A completed IRS W-9 form, and,
- ▶ Proof of their tax identification number,

with their new contract, regardless of their tax exempt status.

The IRS W-9 must be sent to CMU along with the provider’s contract. **Documents verifying the provider’s tax identification number should be kept at the local office in the provider’s file.**

CHILD CARE PROVIDERS WITH AN ACTIVE CONTRACT

The contract renewal process begins in April 2004 for the SFY 2005-contract period of July 1, 2004 through June 30, 2005. **Contract renewal amendments will not be used to renew provider contracts for SFY 2005.**

In May 2004, the Contract Management Unit (CMU) in Jefferson City will mail the revised contract forms along with a cover letter (attachment) to existing contracted child care providers. In addition, an IRS W-9 form will accompany the revised contract to the provider. An important change in the renewal process this year requires the provider to complete the IRS W-9 form and submit proof of their tax identification number along with their completed contract to their county office.

Each county office will receive a listing of contracted providers in their county. County staff is instructed to review and track the activity of the contract accordingly. You may track the progress of the contract activity directly on the listing. The completed contracts are due to CMU by June 1, 2004. Record the:

- ▶ Date you received the contract from the provider,
- ▶ Status of the provider response; is it complete or which items are incomplete,
- ▶ If corrections are needed, the date it is returned to the provider and necessary corrections,
- ▶ Date corrected copy is received from the provider, and,
- ▶ Date you submitted the contract and W-9 form to CMU.

Providers that do not submit a completed and accurate contract to your office by June 1, 2004 may not receive a payment from the Department of Social Services after June 30, 2004.

Please note: Providers renewing their contract for SFY 2005 must be paid the evening/weekend services according to the former time designations on their current contract, through June 30, 2004.

LICENSED PROVIDERS REQUIRING A NEW CONTRACT

Effective with receipt of the revised contract forms, begin using the revised contract forms to contract with licensed child care providers needing to complete an initial contract or those needing to complete a new contract due to a change in facility ownership or Departmental Vendor Number.

For these providers, the changes in evening/weekend care designations and the requirement to submit a completed IRS W-9 form with proof of their tax identification number are effective immediately.

CONTRACT ERRORS

Prior to sending any child care contract to CMU, please ensure that the contract packet:

- ▶ Has complete provider/facility information,
- ▶ Is signed by the provider or facility agent,
- ▶ Contains rates that do not exceed the state maximum for your area,
- ▶ Has an attached completed IRS W-9 form, and,
- ▶ Has attached verification of their tax identification number.

CMU staff will return contracts that have missing or incomplete information to your office for correction by the provider. All calls from the provider regarding their contract will be sent back to your office while the contract is in process or is incomplete.

PROVIDER RATES

When the provider does not complete a rate for a service, it is interpreted that the provider does not offer this service. You may clarify this with the provider by a telephone contact. If the provider is eligible and intends to offer this service, return the contract to the provider and ask them to complete the missing items.

Example: Mary's Little Lambs is licensed to care for children ages two through five from 6a.m. to 6p.m. The facility agent completes rates for daytime care for the preschool age category. The provider did not complete rates for school age. Through a telephone call to the provider, the local staff determines that the provider offers school-age services. The local office staff returns the contract to the provider for completion of school-age rates.

Do not complete the Unit Rates on behalf of the provider. Some providers are not eligible to, or do not wish to, offer every service for all age groups. However, ensure that the provider's rates do not exceed the state maximum rate for your area prior to forwarding the contract to CMU.

NECESSARY ACTION:

- ▶ Review immediately with all appropriate staff.
- ▶ The County Manager, Circuit Manager, or designee must obtain a completed, signed contract from any licensed child care provider wishing to serve DSS families after June 30, 2004.
- ▶ Review contract for accuracy prior to submitting it to CMU.

- ▶ Monitor and track contract activity.
- ▶ Family Support and Children's Division staff may direct any questions regarding this process through appropriate channels to CMU.

FMS/DC/DE
Attachment