

DEPARTMENT OF SOCIAL SERVICES

CHILDREN'S DIVISION

P. O. BOX 88

JEFFERSON CITY, MISSOURI

March 30, 2007

<b><u>What's Inside:</u></b> Child Care Provider Rate Increase
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M E M O R A N D U M

TO: ALL REGIONAL AND COUNTY FSD AND CD OFFICES

FROM: PAULA NEESE, DIRECTOR  
CHILDREN'S DIVISION

JANEL R. LUCK, DIRECTOR  
FAMILY SUPPORT DIVISION

SUBJECT: INCREASE IN CHILD CARE SUBSIDY RATES

REFERENCE: CHILDREN'S DIVISION  
FAMILY SUPPORT DIVISION

DISCUSSION:

This memorandum outlines the increase in state maximum child care rates to certain providers as addressed in Governor Matt Blunt's February 8, 2007, press release regarding changes to the Child Care Subsidy program. This memorandum also includes rate charts for all types of legal child care providers paid through the Child Care Subsidy program.

INCREASED STATE MAXIMUM REIMBURSEMENT RATES TO SPECIFIC PROVIDERS

Effective with March 1, 2007, child care services, the state maximum rates paid to licensed providers and qualified inspected faith based providers in Missouri are increased by five percent over the existing state base rate. This increase applies to child care payments made through the Child Care Subsidy Program on behalf of Family Support Division (FSD) income eligible families and Children's Division (CD) protective services children. The increased rates will appear on child care payments made in April, 2007, or later for any service that was provided in March, 2007, or later.

Child care services provided prior to March 1, 2007, but paid after March 1, 2007, are paid at the reimbursement rate prior to the five percent increase.

Receipt of the increased rate requires that the:

- Provider is licensed to offer child care services in Missouri,
  - Elects to receive the state maximum rates, and,
  - Has a valid and current Child Care Contract in force,
- OR
- Provider is currently compliant with the inspection requirements of the Missouri Department of Health and Senior Services Section for Child Care Regulation as a religious affiliated organization,
  - Elects to receive the state maximum rates, and,
  - Has a valid and current Child Care Provider Registration Agreement in force.

Licensed and inspected faith based child care providers who elect to receive a reimbursement rate that is lower than the state maximum reimbursement rate will continue to receive the lower reimbursement rate.

Reimbursement rates to other types of license exempt legal providers in Missouri continue to be paid at the October 1, 1998, rate or the provider's quoted rate, if the quoted rate is lower than the state maximum.

#### CHILD CARE INVOICES

Effective March 20, 2007, the new state maximum rates are printed on FAMIS invoices generated to licensed providers and those providers who are registered with an exempt type of Religious in Compliance (RIC).

FAMIS Child Care paper invoices (FA-581) are printed with two types of rates; the state maximum child care rates, based on the provider's geographical area/facility type, and each child's specific rate (based on the child's age, time of care, level of care, sliding fee, special need and provider's eligibility for rate enhancements).

Effective March 18, 2008, the new state maximum rates are printed on the SEAS Child Care invoices (CS-65A) to licensed child care providers when the provider's contracted rates are at the state maximum levels.

#### FAMIS CHILD CARE CORRECTION PAYMENTS AND CS-65 PAYMENTS

Correction payments for March services and later must be calculated using the new state reimbursement rate to licensed and RIC providers for child care services only when the provider's quoted rate is equal to the state maximum rate. Use the provider's quoted rate when it is lower than the state maximum reimbursement rate.

#### CHILD CARE STATE MAXIMUM RATE CHARTS

This change in provider rates results in a total of six valid child care rate charts:

- Licensed Daytime Rate Chart Effective March 1, 2007,
- Licensed Evening Weekend Rate Chart Effective March 1, 2007,
- RIC Daytime Rate Chart Effective March 1, 2007,
- RIC Evening Weekend Rate Chart Effective March 1, 2007,

- License-Exempt Daytime Rate Chart Effective October 1, 1998, and,
- License-Exempt Evening Weekend Rate Chart Effective October 1, 1998.

Ensure that the appropriate rate chart is offered to providers when they request to enter into a contract or registration with the Department of Social Services. Offer:

- Licensed Rate Charts for licensed providers pursuing a contract for the Purchase of Child Care,
- RIC Rate Charts only to Religious In Compliance (RIC) providers pursuing Child Care Provider Registration Agreements when the Department of Health and Senior Services/Section for Child Care Licensing determines that the provider meets inspection requirements, as reported in MOHSAIC at the following link: <http://dhssweb02.dhss.mo.gov/scripts/MOHCCIE.exe>,
- License-Exempt Rate Charts to providers pursuing Child Care Provider Registration Agreements when their exempt type is one of the following:
  - School based (SCH),
  - Business operated for the convenience of customers (BUS),
  - Summer Camp (SUM),
  - Military based (MIL),
  - No more than four children in care that not related to the provider (FOL),
  - Out of state provider licensed in their home state (OPL), or,
  - Out of state provider compliant with their home state's allowance to be unregulated (OPU).

PN/JRL/DE

NECESSARY ACTION:	
<ol style="list-style-type: none"> <li>1. Review this memorandum with all Children's Division and Family Support Division staff.</li> <li>2. All questions should be cleared through normal supervisory channels and directed to:</li> </ol>	
PDS Contact: Debra Enochs, MAS-II 573-522-1385 <a href="mailto:Debra.L.Enochs@dss.mo.gov">Debra.L.Enochs@dss.mo.gov</a>	Program Manager: Becky Houf 573-751-6793 <a href="mailto:Becky.L.Houf@dss.mo.gov">Becky.L.Houf@dss.mo.gov</a>
CHILD WELFARE MANUAL REVISIONS: N/A	
FORMS AND INSTRUCTIONS: N/A	

REFERENCE DOCUMENTS and RESOURCES: Attachment 1 – <a href="#">State Maximum Child Care Subsidy Rate License Exempt</a> Attachment 2 – <a href="#">State Maximum Child Care Subsidy Rate License</a> Attachment 3 – <a href="#">State Maximum Child Care Subsidy Rate Compliant Faith Based</a>
RELATED STATUTE: N/A
ADMINISTRATIVE RULE: N/A
COUNCIL ON ACCREDITATION (COA) STANDARDS: N/A
PROGRAM IMPROVEMENT PLAN (PIP): N/A
SACWIS REQUIREMENTS: N/A