

DEPARTMENT OF SOCIAL SERVICES

CHILDREN'S DIVISION

P. O. BOX 88

JEFFERSON CITY, MISSOURI

July 17, 2008

What's Inside:

**Child Care State
Maximum Subsidy
Rate Increase and
MSA Re-structure**

MEMORANDUM

TO: ALL REGIONAL AND COUNTY CD AND FSD STAFF

FROM: PAULA NEESE, DIRECTOR
CHILDREN'S DIVISION
JANEL R. LUCK, DIRECTOR
FAMILY SUPPORT DIVISION

SUBJECT: CHILD CARE RATE RESTRUCTURE AND STATE
MAXIMUM RATE INCREASES FOR LICENSED AND FAITH
BASED PROVIDERS

REFERENCE: CHILDREN'S DIVISION
FAMILY SUPPORT DIVISION

DISCUSSION

The purpose of this memorandum is to inform staff of the increase in state maximum child care rates to Missouri licensed providers and regulated faith-based providers and to announce the restructure of the child care reimbursement rate schedule.

JULY 2008 INCREASE TO STATE MAXIMUM CHILD CARE REIMBURSEMENT RATES FOR LICENSED AND FAITH BASED PROVIDERS

Effective July 1, 2008, state maximum rates paid to Missouri licensed child care providers and to Religious in Compliance (RIC) faith based child care providers increase. The increase is based on three determining factors:

- The provider's county assignment within a Metropolitan Statistical Area (MSA) as defined by the United States' Census data.
- The cost of living index for the MSA.

- The biennial Market Rate Survey analysis conducted by DSS Research and Evaluation.

For more information about Metropolitan Statistical Areas, go to:

<http://www.census.gov/population/www/estimates/metroarea.html>

This increase applies to child care payments made through the Child Care Assistance program on behalf of Family Support Division (FSD) income eligible families and Children's Division (CD) Child Welfare/Protective Services children.

The increase in rates will appear on child care payments made in August 2008 or later for any service that was provided in July 2008 or later.

Child care services provided prior to July 1, 2008, but paid after July 1, 2008 are paid at the rates in effect prior to the July 1, 2008 rate 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 with exempt types of FOL, OPU, OPL, MIL, SCH, BUS, and SUM 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 July 20, 2008, 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 July 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 July 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-RATE RESTRUCTURE

Effective July 1, 2008, the child care reimbursement rate structure is changed to reflect the changes reported by the U.S. Census Bureau for Metropolitan and Micropolitan Statistical Areas. The base rates paid to child care providers continues to be based, in part, on the following factors:

- County location of the provider,
- Facility type of the provider,
- Age of the child,
- Number of hours child is in care, and,
- Time of day care occurs.

The Child Care Rate Restructure re-classifies providers' county locations in a geographic distribution within one of the four MSA's by:

- Core counties;
- Non-Core counties;
- Micropolitan counties, and;
- Rest of state counties.

Counties within the four MSA'S:

St Louis MSA

- **Core Counties:** St. Charles, St. Louis City, and St. Louis County
- **Non-Core Counties:** Franklin, Jefferson, Lincoln, Warren, and Washington

Kansas City MSA

- **Core Counties:** Clay, Jackson, and Platte
- **Non-Core Counties:** Bates, Caldwell, Cass, Clinton, Lafayette, and Ray

Springfield MSA

- **Core County:** Greene
- **Non-Core Counties:** Christian, Dallas, Polk, and Webster

Joplin MSA

- **Core Counties:** Jasper and Newton

Note: The Joplin MSA does not have any counties classified as Non-Core.

Columbia MSA

- **Core County:** Boone
- **Non-Core County:** Howard

St Joseph MSA

- **Core County:** Buchanan
- **Non-Core Counties:** Andrew and DeKalb

Jefferson City MSA

- **Core County:** Cole
- **Non-Core Counties:** Callaway, Moniteau, and Osage

Micropolitan Counties:

Adair, Audrain, Bollinger, Butler, Cape Girardeau, Clark, Dunklin, Howell, Johnson, Laclede, Lewis, Marion, Nodaway, Pettis, Phelps, Pulaski, Ralls, Randolph, St. Francois, Saline, Schuyler, Scott, Stone, and Taney.

All other counties continue to be designated in the geographic category of Rest of State.

CHILD CARE RATE CHARTS

The Internet display of the State Maximum Reimbursement Rates is revised to show rates for all valid types of providers in Missouri, licensed, RIC, and registered exempt providers. The charts are removed and replaced by a single web link to make it easier to

view and understand each county's specific rates. The user can access rate information by linking to a map of Missouri from the Children's Division and Family Support Division web page at <https://dssapp.dss.mo.gov/ccrate/> and selecting the county whose rates they want to view.

NECESSARY ACTION:	
<ol style="list-style-type: none"> 1. Review this memorandum with all Family Support Division and Children's Division staff. 2. Apply the increased rates to licensed and faith-based child care providers that have a payment agreement with the Department of Social Services. 3. All questions should be cleared through normal supervisory channels and directed to: 	
PDS CONTACT: Debra Woods, MAS-II 573-526-9587 Debra.L.Woods1@dss.mo.gov	PROGRAM MANAGER: Becky Houf 573-522-1385 Becky.L.Houf@dss.mo.gov
CHILD WELFARE MANUAL REVISIONS: N/A	
FORMS AND INSTRUCTIONS: N/A	
REFERENCE DOCUMENTS and RESOURCES: DSS Web page link: https://dssapp.dss.mo.gov/ccrate/	
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	