

DEPARTMENT OF SOCIAL SERVICES

CHILDREN'S DIVISION

P. O. BOX 88

JEFFERSON CITY, MISSOURI

April 7, 2011

M E M O R A N D U M

**What's Inside:**

Child Care Rate  
Enhancements

TO: ALL REGIONAL AND COUNTY CD AND FSD STAFF

FROM: CANDACE A. SHIVELY, DIRECTOR  
CHILDREN'S DIVISION  
ALYSON CAMPBELL, DIRECTOR  
FAMILY SUPPORT DIVISION

SUBJECT: CHILD CARE RATE ENHANCEMENTS

DISCUSSION:

The purpose of this memorandum is to clarify policy as it relates to child care rate enhancements and introduce a new section to the Child Care Policy Manual. Section [1215.040.000 Child Care Rate Enhancements](#) has been created to provide an overview of the rate enhancements available to child care providers.

**Special Needs Rate Enhancement**

Child care providers are eligible for a rate enhancement, over the base rate, for services provided to a child with special needs. This rate enhancement is an increase of twenty-five percent (25%) over the base rate and eligibility for the enhancement is child specific. The provider is paid for the child identified as having special needs. This rate enhancement is system generated for both income eligible and protective services children. All children in the custody of the Children's Division (CD), receiving Adoption Services, Family-Centered Out-Of-Home Care (Foster Care), Intensive In-Home Services, and Family Centered Services are considered special needs.

**Accreditation Rate Enhancement**

Child care providers who have obtained accreditation by an organization recognized by the Department of Social Services (DSS) may receive an increase of twenty percent (20%) over the base rate. This rate enhancement is effective the service month following the date required documentation is completed and received by Central Office Early Childhood and Preventions Services (ECPSS).

To qualify for accreditation enhancement the provider must meet the following criteria:

- Must be a contracted or registered child care provider.

- Must submit a completed [Child Care Provider Accreditation Rate Enhancement Agreement \(CD-149\)](#) to ECPS in Central Office.
- Must submit a current certificate of accreditation with the agreement.

Ninety (90) days prior to the end of the provider's accreditation rate enhancement, ECPS will send a letter notifying the provider of the upcoming end date of the accreditation rate enhancement, along with a new agreement. The provider must submit the agreement and a copy of the new certificate of accreditation no later than 15 days prior to the end of the current rate enhancement period.

Providers who have not submitted accreditation rate enhancement agreements and copies of new certificates of accreditation will be sent a letter, no less than 30 days from expiration, notifying them of the end of their eligibility for the rate enhancement. The provider is responsible for submitting a new Child Care Provider Accreditation Rate Enhancement Agreement (CD-149) and a copy of their new accreditation certificate. Providers who do not submit a new accreditation certificate and a new accreditation agreement will lose the accreditation rate enhancement. A letter will be sent to the provider, notifying the provider their accreditation rate enhancement has ended.

The provider must notify DSS of changes in their accreditation status, i.e. accreditation has ended prior to the end date on the accreditation certificate. The provider is ineligible for accreditation rate enhancement payments after losing accreditation status. DSS will recoup any overpayments.

### **Disproportionate Share Rate Enhancement**

Licensed child care providers who are contracted with DSS and provide care to a disproportionate share of children receiving child care assistance, may qualify for the disproportionate share rate enhancement. This rate enhancement is thirty (30%) percent above the base rate.

***NOTE: No new applications for disproportionate share are being accepted at this time. A new application for disproportionate share is defined as an application from a newly licensed provider or a licensed provider whose contract has lapsed more than 30 days.***

Disproportionate share rate enhancement requests are approved for child care providers who:

- Are licensed by Department of Health and Senior Services (DHSS);
- Contracted with Department of Social Services; and
- Maintain at least 50% subsidized children of the total number of children in their care. The eligibility for this increase is based on the number of children in the provider's care rather than a percentage of the provider's capacity. Child Care providers will be reviewed annually to ensure number of subsidized children is at least 50% of the total number of children in care.

Circumstances allowing providers to maintain their disproportionate share rate enhancement:

- Facility is still operating at the same location and ownership is assumed by another individual/entity.
- Facility moves to a different location and has the same ownership.
- Departmental Vendor Number (DVN) changes due to the facility becoming a corporation or change in facility type.

**Note:** Licensed providers must notify DSS of any of the above changes within thirty (30) days of the change.

Circumstances that cause a provider to lose their disproportionate share:

- Change in legal status, i.e. from license to license exempt.
- Number of subsidized children falls below 50%.
- Facility is operating at a different location and ownership is assumed by another individual/entity.

Early Childhood and Prevention Services (ECPS) staff will continue to determine provider eligibility for Disproportionate Share and Accreditation rate enhancements. Field staff is instructed to continue referring providers to the ECPS if they are interested in the Disproportionate Share and/or Accreditation rate enhancements.

<b>NECESSARY ACTION</b>	
<ol style="list-style-type: none"> <li>1. Review this memorandum with all Children’s Division and Family Support Division staff.</li> <li>2. Review revised Child Care Manual sections as indicated below.</li> <li>3. All questions should be cleared through normal supervisory channels and directed to:</li> </ol>	
<b>PDS CONTACT</b> Brenda LaBella 573-751-2037 <a href="mailto:Brenda.L.Labela@dss.mo.gov">Brenda.L.Labela@dss.mo.gov</a>	<b>PROGRAM MANAGER</b> Alicia Jenkins 573-751-6793 <a href="mailto:Alicia.Jenkins@dss.mo.gov">Alicia.Jenkins@dss.mo.gov</a>
<b>CHILD CARE MANUAL REVISIONS</b> <a href="#">1215.040.000 Child Care Rate Enhancements</a> <a href="#">1215.040.005 Special Needs</a> <a href="#">1215.040.010 Accreditation Differential</a> <a href="#">1215.040.015 Disproportionate Share</a>	
<b>FORMS AND INSTRUCTIONS</b> <a href="#">Child Care Provider Accreditation Rate Enhancement Agreement (CD -149)</a>	
<b>REFERENCE DOCUMENTS AND RESOURCES</b> N/A	
<b>RELATED STATUTE</b> N/A	

**ADMINISTRATIVE RULE**

N/A

**COUNCIL ON ACCREDITATION (COA) STANDARDS**

N/A

**CHILD AND FAMILY SERVICES REVIEW (CFSR)**

N/A

**PROTECTIVE FACTORS**

Parental Resilience -Yes

Social Connections-Yes

Knowledge of Parenting and Child Development -Yes

Concrete Support in Times of Need - Yes

Social and Emotional Competence of Children -Yes

**FACES REQUIREMENTS**

N/A