

EFFECTIVE
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NEBRASKA DEPARTMENT OF
HEALTH AND HUMAN SERVICES

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TITLE 392 CHILD CARE SUBSIDY PROGRAM

CHAPTER 3 AUTHORIZATION AND NOTICE

001. AUTHORIZATION. The recipient and provider will receive notice of the recipient's eligibility and the recipient's sliding fee amount for which recipient is responsible.

001.01 IN-HOME CHILD CARE SUBSIDY RECIPIENTS. Recipients of in-home child care subsidy, must execute necessary documents to appoint the Department as agent for state and federal employment taxes and other withholding taxes.

001.02 AUTHORIZATION STANDARDS. To authorize any service, the following is required:

- (A) The applicant must be found eligible;
- (B) The applicant must have an acceptable need for child care;
- (C) The child care provider must be properly enrolled as a provider; and
- (D) The recipient and child care provider must ensure that the services are delivered as authorized.

001.03 AUTHORIZATION DATE. The authorization date is the start date for child care subsidy. Child care services are not retroactive.

001.03(A) PROVIDER NOT ENROLLED. Child care providers must be enrolled providers to participate in the subsidy program. Child care payments are not retroactive before date of provider enrollment.

002. RESPONSIBILITY TO CONTACT THE DEPARTMENT. A child care recipient must contact the Department within 10 days when:

- (A) Total assets exceed \$1,000,000.00;
- (B) Changes in household composition;
- (C) There is a non-temporary change in the recipient's work, job training, or educational status that will exceed three months;
- (D) The family's income exceeds 85 percent of the State Medium Income; or
- (E) The family changes residence.

002.01 TEMPORARY CHANGE IN NEED. Once the family is determined eligible, eligibility shall continue until the end of the certification period if a temporary change in need for services occurs.

003. DEPARTMENT CONTACT WITH RECIPIENTS. The Department may need to contact recipients during their eligibility period to discuss their eligibility, issues regarding service delivery,

or when additional information is needed. Recipients must update the Department when their contact information changes and cooperate with the Department in providing information.

003.01 NOTICE OF AGENCY ACTION. Individuals will receive a notice of action when:

- (1) An applicant is determined ineligible for Child Care Subsidy;
- (2) A recipient is found ineligible at the time of verification or redetermination;
- (3) A requested service is denied;
- (4) Provided services are to be reduced or terminated; or
- (5) Changes in the sliding fee.

003.01(A) ADVANCE NOTICE. Recipients are notified when services will be reduced or terminated.

003.01(B) ADEQUATE NOTICE. In cases of substantiated recipient fraud, the recipient is sent a notice of termination or reduction.

003.01(C) NOTICE NOT REQUIRED. The recipient will not receive a notice of action when:

- (i) The Department learns of a recipient's death or death of his or her child; or
- (ii) The recipient's whereabouts are unknown.

003.01(D) SERVICE CONTINUATION DURING APPEAL. In cases where advance notice has been given, the recipient may appeal. If an appeal is requested in writing within 10 days following the date of the notice of action was mailed, the adverse action is not taken until a fair hearing decision is made. In situations where only an adequate notice was required, service is not continued pending a hearing decision.

004. RATE UNIT AUTHORIZATIONS. The rate at which providers are reimbursed is set by the Department.

004.01 PROVIDER RATES. A provider must establish a private pay rate before being approved as an enrolled provider. Child Care Subsidy payments to a provider will not exceed the private pay rate. If the rate the provider charges the public is higher than the Department's rate, the Department will pay the Department's established maximum. If the provider's rate for the public is lower than the Department's maximums, the Child Care Subsidy rate paid to the provider will not be more than the provider's rate charged to the public.

004.01(A) PAYMENT BY ATTENDANCE. The Department pays by attendance, not enrollment. Providers do not receive payment when the provider is on vacation, is ill, or is not providing care for some reason unrelated to the child or recipient.

004.01(A)(i) PAYMENT FOR ABSENCES. The provider may bill the full authorized amount for times that the child is absent on a scheduled day, up to five times per month.

004.01(B) ACCREDITED RATES. The Department pays a higher rate for programs that are accredited by an accrediting body approved by the Department, up to the rate the provider charges to families who pay privately.

004.01(C) PAYMENT EXCEPTION FOR FOSTER CHILDREN AND ADOPTION OR GUARDIANSHIP CHILDREN. For foster children or children receiving adoption or guardianship subsidy, payment may be based on enrollment within the following guidelines:

- (i) The provider must be licensed;
- (ii) The provider must have written policies specifying that they charge private paying families by enrollment; and
- (iii) The child must attend the child care facility for a minimum of 30 hours a week.

004.02 BILLING UNITS. Each provider will have an enrollment with the Department establishing the allowable billing units. Providers must bill the Department in accordance with the billing unit(s) listed in the Provider Enrollment Form.

004.03 REGISTRATION FEES. Fees charged by a child care program for initial or annual registration fees for a child may be included in the provider agreement. The registration fee must not exceed registration fees charged to private pay families or the Department's maximum rate. Registration fees are paid for licensed programs only.

004.03(A) NEW PROVIDERS. For recipients that change or start new providers, the Department will not pay more than three registration fees per child per program year, July 1 through June 30. For recipients who do not change or start new providers during the program year, the Department will not pay more than one registration fee per child during that time.

004.03(B) PROVIDER WRITTEN POLICIES. In order to receive a registration fee, the child care program must have a written policy that describes how the registration fee is required for private pay families and the specific amount of the fee.

004.03(C) DEPOSITS. The Department does not pay deposits to hold a space or guarantee services.

004.04 ACTIVITY FEES. An activity fee must be billed as a separate service. Activity fees are only paid to licensed programs. The activity fee must not exceed what is charged to private pay families or the Department's maximum rate.

004.04(A) LIMITATIONS. Activity fees are for toddler, preschool, and school-aged children during summer months.

004.04(B) WRITTEN POLICIES. In order to receive an activity fee, the child care provider must have a written policy that describes how the activity fee is required for private pay families and the specific amount of the fee.

004.05 RECIPIENT CHARGES. The recipient is responsible for payment of fees assessed for failure to pick up the child by the end of the program's day.

004.05(A) INCLUDED IN SUBSIDY RATE. The following are included in the Child Care Subsidy rate:

- (i) Cost of the facility, including utilities, and indoor and outdoor space where care occurs;
- (ii) Staff salaries, benefits, training, and indirect costs;
- (iii) Equipment, toys, and materials needed to operate; and
- (iv) Food children are served.

004.05(B) LIMITATIONS. Recipients cannot be asked to pay additional fees for the expenses included in the subsidy rate.

004.06 SPECIAL NEEDS CHILD CARE RATE EXCEPTIONS. The Department may approve an increased payment rate for a child with special needs.

004.06(A) FACTORS TO BE CONSIDERED. For a special needs child, the rate for service is not based on the diagnosis, but rather, on the care and equipment needed beyond that for normal child care.

004.07 ACCREDITED PROVIDERS. Providers who have current accreditation with Department approved accrediting organizations are eligible to receive the lower of:

- (A) Their private rate; or
- (B) The Department's maximum rate for accredited providers.

004.08 TRANSPORTATION TO AND FROM HOME. For recipients without a vehicle or whose vehicle is broken down, the Department may approve transportation to and from the recipient's home and child care:

- (A) When transportation costs are not included in the total child care rate;
- (B) By providers licensed with the Department; and
- (C) For recipients in the current family, low income family, or without regard to income family eligibility categories.

005. PROVISIONS FOR OUT-OF-STATE PROVIDERS. An out-of-state child care provider must be approved as an enrolled child care provider by the Department and accept Department rates.

005.01 LICENSE REQUIREMENTS. The child care provider must be in compliance with the license or registration requirements of the state where the provider is providing care. All out-of-state providers must comply with the Department's standard background check process. The provider has the responsibility for ensuring safety is maintained for the child.

005.02 PROVIDER PAYMENTS. Payments must be made directly to the child care provider. All child care providers must be licensed or approved before child care is authorized.