

Early Learning and Care Division (ELCD) Responses to CAPPA

| Question | ELCD Response |
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| <p>1. If a childcare provider, family childcare home or center closes due to the declared State of Emergency, are agencies to continue making payments to said provider?</p> | <p><i>The State Superintendent of Public Instruction (SSPI) will work with the Governor's Office to issue an Executive Order that will provide further guidance on this issue.</i></p> |
| <p>2. If a childcare provider, family childcare home, or center closes due to the declared State of Emergency and a family must find another childcare provider, can an agency pay an alternate provider in order to maintain continuity of care for the child?</p> | <p><i>Alternate providers may be paid. California Code of Regulations Title 5 (5 CCR), Section 18076.2 (d)(3), requires the contractor to reimburse an Alternative Payment Program (APP) provider when the regular provider is not open to provide services and the subsidized family must obtain an alternate provider.</i></p> |
| <p>3. According to California <i>Education Code (EC)</i> Section 8271, in the event that operating agencies are unable to operate due to circumstances beyond their control, such programs shall not be penalized for incurred program expenses. What types of "incurred program expenses" can be covered?</p> | <p><i>Administrative and operating costs constitute the program expenses in this question.</i></p> |

4. If during the State of Emergency, a family’s employment or hours are reduced and the family is unable to pay their monthly family fee dollar amount, what is CDE guidance?

Pursuant to 12-month eligibility, a family may request a reduction to their family fees. For additional guidance, please refer to 5 CCR Section 18084.2 included in the 12-Month Eligibility Implementation Guidance in Management Bulletin (MB) 17-14.

5. If agencies collect a “0” or reduced family fee, according to the Frequently Asked Questions reduced amount of family fee collected on Child Care Reporting, agencies are to report the total required fee and not the reduced or “0” amount. Is that correct?

Yes

6. If a family chooses to report a change in income to reduce their family fees during this uncertain time, what action, if any is expected to be taken regarding the family’s possible change in need (decrease in income due to fewer hours worked)? NOTE: Many employers are reducing hours or work activities that may not rebound for families in the near future.

5 CCR Section 18084.2 included in the 12-Month Eligibility Implementation Guidance (MB 17-14), allows families to request a reduction of their family fee. Specifically, upon a family voluntarily reporting changes the contractor shall:

- 1) Use information as applicable to reduce the family fee, increase the family's services, or extend the period of eligibility*
- 2) Collect documentation to support the changes requested*
- 3) Issue a Notice of Action (NOA) no later than 10 business days after receipt of applicable documentation in order to comply with 5 CCR Section 18095 and*
- 4) Not use any information received to make any other changes to the service agreement.*

NOTE: Families are not required to make changes to their certified schedule or update their income (unless it’s over 85% SMI) due to a reduction in work hours.

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| <p>7. If family fees are reduced, is it okay to note that in the family file or is a recertification necessary?</p> | <p><i>This does not require a recertification; agencies must issue a NOA for the family fee reduction.</i></p> |
| <p>8. If a contractor must close due to an outbreak in the office – mandatory quarantine – this affects Minimum Days of Operation. Will a contractor be paid if forced to close based on the declared State of Emergency?</p> | <p><i>Yes, if in consultation with the local public health department it is determined that your office needs a full or partial closure. An APP contractor will be reimbursed for administrative and operation costs but must adopt a resolution and give dates of closure as directed in MB 10-09. Contractors may revise their Minimum Days of Operation (MDO) anytime within the fiscal year.</i></p> |
| <p>9. If a center must close due to the declared State of Emergency that exceeds allowable Non-Operating Days or Flex for Minimum Days of Operation, will they be paid?</p> | <p><i>Pursuant to 5 CCR Section 18055, if a contractor fails to operate at least 98% of the MDO required in its contract, the maximum reimbursable amount (MRA) will be reduced in proportion to the percentage of the contract MDO that the contractor was not in operation. Contractors who are in danger of falling below 98% of their contracted MDO, due to the declared State of Emergency, can revise their MDO anytime within the fiscal year, or follow the directive of MB 10-09.</i></p> |
| <p>10. Will CDE recognize the child's absence from care as an approved illness that allows family child care providers to be paid? What if the absence extends beyond the maximum number of days of approved illness?</p> | <p><i>For APP agencies, refer to MB 14-04 and follow your broadly consistent policies.</i></p> |

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| <p>11. If the family childcare provider's contract has a provision that states that they must be given two weeks' notice before terminating child care, will CDE continue to pay for those two weeks?</p> | <p><i>Yes, if the providers' contract with non-subsidized families includes the same provision for advance notice of termination.</i></p> |
| <p>12. Will CDE comply with its provisions requiring 14 days (19 days if mailed) advance notice of discontinuance of subsidy payments to a particular provider? 5 CCR Section 18119.</p> | <p><i>Pursuant to 5 CCR Section 18119, contractors are required to provide parents with a NOA.</i></p> <p><i>The provision in AB 603, which requires agencies to give providers 14-day advance notice of service agreement changes, has been delayed until July 1,2020 (Budget Trailer Bill, Assembly Bill 75). Currently, there is no requirement for APP agencies to provide advance notice of any service agreement changes to providers.</i></p> <p><i>Parents should notify providers of changes to their service levels in accordance with the provider's written policies.</i></p> |
| <p>13. As a County Office of Education, we are looking at a district wide closure due to the declared State-of-Emergency. How should the payment to providers process be managed? We all have policies around getting payments to providers in a timely manner, but if there is not any staff to do that work, how does that play out?</p> <p>14. And to go along with that, how does all the monthly reporting due to CDE look in a State of Emergency closure.</p> | <p><i>The Code of Federal Regulations, Title 45, requires payments to providers within 21 days of receipt of invoice. The County Office of Education (COE) should have a plan for paying providers in the event of an emergency.</i></p> <p><i>In the event the COE is unable to submit its reports, the ELCD recommends that you contact your ELCD, PQI Consultant and/or Regional Administrator.</i></p> |