

CHANGES TO THE WISCONSIN SHARES CHILD CARE SUBSIDY PROGRAM

Attention Child Care Providers: This is notification to you regarding some changes to the Wisconsin Shares child care subsidy program.

Maximum Reimbursement Rates

The department estimates that the child care subsidy will have a tight budget because of increasing costs by the end of Fiscal Year 06-07. This is due to flat federal funding combined with the rising caseload and increased provider costs. Wisconsin remains one of the top three states in providing generous reimbursements. To begin to address the tight budget, the Department will not increase the child care subsidy maximum rates. The maximum rate will remain at the 2006 maximum. Further initiatives to resolve funding issues in the program will be addressed in the budget process for next fiscal year. The Department remains committed to preserving quality in child care while addressing these budget constraints.

The department will not be raising rates above the 2006 level. The current rates are displayed at <http://dwd.wisconsin.gov/dws/programs/childcare/wishares/rates.htm>.

Change in CCPI Attendance entry

Child care providers have been able to enter attendance up to six months in the past. Effective February 26, 2007, a change will be implemented that will prevent providers from entering attendance no further than three months in the past. This will assure that the department will be able to retrieve current and timely subsidy issuance information because the providers will be reporting attendance in a timely manner.

This change applies also to providers who submit attendance on paper format. It is important that the providers send in their Attendance Report Forms within the three month window. If the provider fails to send in the form within the three month reporting period, the subsidy will not pay for the care unless the county/tribal agency has found special circumstances to justify late reporting.

Issuance of 1099 for calendar year 2006

Child care providers receive a 1099 form if the provider is an 'individual/sole proprietor/partnership' in the child care subsidy system and has received at least \$600 in subsidy payments during 2006. If the provider is listed as 'corporation/non-profit/government', **no** 1099 form is issued. The 1099 forms will be sent to providers by January 30, 2007.